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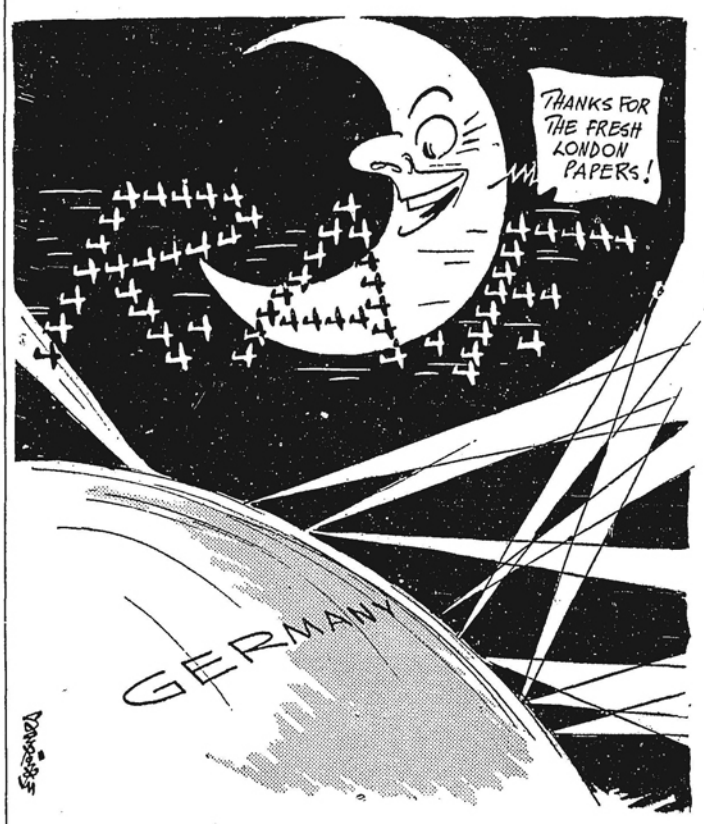

BY SAPAJOU

In The Dark Of The Night

Sir Herbert Phillips

With the departure of Sir Herbert Phillips today on his way home on retirement, the British Consular Service in China loses one of its most outstanding members. Appointed a student interpreter in 1898, Sir Herbert has seen no less than forty-two years of service in China, during which time he served in many ports with considerable distinction, while during his term of office as Inspector General of Consular Establishments in China he visited practically every consulate in the country. They are not many who enter the Consular service and eventually come to be Consul-General in Shanghai, and for the most part his predecessors have never had quite the exciting times he has experienced since he returned to Shanghai on September 24, 1937. He was in charge of the Consulate-General here for practically the whole of the crisis and has consequently had a most difficult task in representing the interests of his fellow nationals in this part of China. It may with justice be said that at no time did he fail in the arduous task which was set him, and it speaks volumes for the character and the ability of the man that he rose to the big demands which the difficult times through which Shanghai passed made upon him in a manner which does him and the service to which he belongs infinite credit. The whole period of his service as Consul-General in Shanghai was one in which the exercise of the greatest tact and patience was an imperative necessity, and Sir Herbert handled the various problems which arose with that steady judgment which many years ago marked him as one who would end his career as Consul-General of this most important port. His ready accessibility, and the courteous manner in which he met the various requirements of the Press, the willingness with which he co-operated with its members when his official responsibilities permitted it, distinguish him greatly from some of his predecessors, and newspaper men will regret his departure from that point of view which so nearly concerns them. In thus taking leave of a man who has served the British community in China so well the opportunity is availed of to express the hope that he and Lady Phillips will be able to enjoy their well-earned retirement for very many years to come.

Tsingtao Improvement

The report appearing in another column, to the effect that Mr. D. Kato, Japanese Consul-General, has announced that as from yesterday another shipping berth in Tsingtao harbour, as well as two additional godowns, will be made available for Third-Power vessels, is most welcome reading. It is noted that these facilities will not be suspended unless military necessity obliges, and it is to be hoped that this will indeed be the case. The concession which has been made, it is true, will not solve all the difficulties which foreign shipping concerns experience in Tsingtao, but anything which can be done to improve the handling of sea-borne cargo at the port must be welcomed as a step in the right direction. It has fortunately been the case that military necessity in Shantung has not shown itself to be particularly pressing for some time past, and it is to be hoped that the Japanese authorities will not hesitate to offer further harbour facilities as the situation improves. For a considerable period the vessels of Third Powers have experienced very great difficulty in carrying on their business with Tsingtao, a large proportion of them being wholly unable to use the small accommodation which up to the present has been made available to them, and though by the opening of the new berth that accommodation has been doubled, there are still facilities existing in the harbour which it is felt could without inconveniencing the Japanese military be opened up. That it is to be hoped will eventually be done, for the more that is done to remove the impression that discrimination is being applied against Third-Power shipping the better will be the situation all round. This new development strengthens the hope that the Japanese promise to open the Yangtze as far as Nanking will also be implemented in the near future. That, it may be depended upon, would undoubtedly produce a good impression abroad, and especially amongst those people who insist that their only concern in China is to trade, and to conduct their business which has been built up by long and honourable industry.

Counting The Cost

Recent discussions in American public circles have attracted attention to the country's enlarged defence needs in view of the situation which may, or may not, develop favourably to the best interests of the United States. It is only natural that the unparalleled conditions prevailing in Europe, baring to the utmost detail and the last ounce of strength the political, military and economic policies and resources of the belligerents, should also envelope the United States and compel more studied examination of her own position. President Roosevelt has presented a record-breaking budget for peace time. There has been talk of a movement to build an Atlantic Fleet two-thirds of the Pacific Fleet as an added protection for the American Republics against encroachments from Europe. Giant battleships of 60,000 tons and more have been mentioned, while Admiral H. R. Stark, Chief of Naval Operations, wasted few words in describing his country's naval defence needs to the House Naval Affairs Committee. Speaking bluntly, and with the authority which his position designates, he wants the fortification of Guam, in the Pacific, and the expenditure of U. S. $1,300,000 on a new building programme which would provide 107 ships as the minimum requirement based on the exigencies of the situation created by the European war. These figures would, on first sight, appear astounding, but they are merely fractional in the struggle for armed predominance which Germany initiated and which other countries must equal or excell if this threat to the whole civilization is to be countered. The economic policies of nations have to solve a gap in provision of armaments which is the problem of incredible magnitude to cover the only answer to the Nazi attempt to dominate the world—and it needs little thought to conceive what would happen if the Allies fail in their task of resisting this attempt. According to Herr Hitler himself, the Nazi regime has spent on armaments since it seized power 90 milliard marks, or about £6,000,000,000, while during that same period of 1933-39 the British defence bill was about £1,200,000,000. Even to the exclusion of the extraordinary war credits voted by Parliament for the conduct of the present war since September last, the American figures are extremely mild as an insurance against some of the consequences which even geographical distance may not avert in the event of German domination, against which the determination, will and resources of the Allies are now arrayed.

Sacrifice v. Robbery

A remarkable contrast between the reactions expected from the peoples at war in Europe by their respective governments as a result of the economic complications which are bound to ensue, no matter if Germany manages to achieve a temporary truce or suffers complete defeat, was to be seen on Sunday in a comparison between the speeches delivered to German industrialists by Field Marshal Herman Goering, and Sir John Simon to the public in Glasgow. The tone of the first was: "If you don't co-operate, we will confiscate your property and put you in prison." The tone of the second was: "Please join in the general effort to evade the economic slump which followed victory of the last war." Field Marshal Goering threatened, knowing that pleas were hopeless; Sir John Simon, though backed by emergency war legislation which would have given him the power to have spoken much more strongly, merely called on the British people to make a greater effort and to be prepared for more sustained sacrifices at the present moment, lest, when victory is attained, the aftermath be catastrophic. Field Marshal Goering threatened the German industrialist with the cat, virtually speaking; Sir John Simon warned the British industrialist to safeguard his best interests by present sacrifices. No better contrast between the methods of Nazidom and the democracies could have been made than the juxtaposition of these two speeches in adjacent columns. The one displays the mailed fist not only to the outside world but to its own producers; the other moulds the public to voluntary sacrifice in the cause of greater freedom in the future. The world may take its choice which side it will support—that which thinks the public can be punched into the way it should go, or that which follows the gentler principle of setting an example which others may, but are not compelled to, follow. Field Marshal Goering reveals the reluctance of German industrialists to continue the war; Sir John Simon admits the regret of all Britons that a war has occurred, but affirms the determination of the Empire to fight that war to a finish.

Threat to Scandinavia

The German press campaign against the Scandinavian countries is, in view of the universal knowledge of German technique, highly significant, and, while it may not lead to the expected launching of military action against Norway and Sweden, does nothing to relieve anxiety regarding the possibility of such a development. The attitude of Norway and Sweden is best outlined in the "Tidens Tegn." That journal puts the case quite bluntly:—

> "*We simply know that the fall of Finland will be a menace to ourselves. It is, therefore, necessary to do everything to prevent a Russian attack against its full objectives. This action is not directed against Germany, unless Germany has a real but secret pact with Russia to collaborate in the occupation of the Northern countries.*
>
> "We refuse to believe this. We know that Great Britain is not threatening our integrity and independence."

There can be no gainsaying the fact that the direct threat to both Norway and Sweden, and the fact that one of the Soviet demands from Finland was the establishment of a common boundary between Russia and Norway, is the best possible proof that Moscow has in mind an ultimate attack on the Scandinavian countries because of the valuable mineral wealth they possess, and of which both Germany and Russia are in need. Whether there is in fact a real pact between those two nations concerning the seizure of Scandinavian territory and wealth time will show, but there is plenty of reason for believing that if there is any such agreement, it probably takes the form of allowing Russia to take the northern iron fields for herself, while Germany would be content with those in the south around Eskilstuna. If some such understanding has not been arrived at, the world may sooner or later see both Germany and Russia engaging in a mad race to beat each other to their objectives. The fall of Finland would undoubtedly mean a grave menace to Scandinavia, and the fact that such large numbers of Swedes and Norwegians are volunteering for service in the Finnish army is ample proof that it is thoroughly well realized. It is equally a fact, as the "Tidens Tegn" does not hesitate to point out, that Great Britain is not threatening the integrity and independence of Scandinavia. It never has done so, and there is no reason why it should be expected to do so in the future.

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CHINESE POLITICS

Recognition of Manchoukuo

Details of Agreement with Wang Ching-wei Made Known in Tokyo; Some Concessions

Tokyo, Jan. 9.

THE surrender of Manchoukuo to Japan and permission for Japan to station troops indefinitely in north China and Inner Mongolia are approved in the compromise peace agreement reached between Japan and Wang Ching-wei, dismissed Kuomintang official who plans to establish a new central régime in China with Japanese support, authoritative sources said here today.

The peace plan also provides that Wang's régime in China will enter an anti-Comintern alliance with Japan and Manchoukuo and will agree to joint economic development and exploitation of China's natural resources, it was said.

The agreement provides that Japan will withdraw her troops from central and south China within two years and that China's railroads will be nationalized.

The question of the withdrawal of Japanese troops from central and south China was one of the stumbling blocks in recent negotiations between Japan and Wang, informed quarters said. Japan finally agreed to promise to withdraw, bringing the deadlock to an end, it was disclosed.

Observers pointed out, however, that the existence of an anti-Comintern alliance between Wang and Japan might be considered by Japan as just cause for leaving her troops in central and south China for more than two years if the Chungking Government continues to resist the Japanese invasion.

Japan, it was pointed out, has frequently referred to the Chungking Government as a "Communist régime," Under the anti-Comintern agreement, it was also pointed out, Wang already has agreed to the stationing of Japanese troops indefinitely in north China and Inner Mongolia.

Details of Plan

The peace plan as outlined by authoritative sources here provides:

1. Wang's recognition of Manchoukuo.
2. Signing of an anti-Comintern alliance between Wang, Japan and Manchoukuo.
3. The stationing of Japanese troops in north China and Inner Mongolia under the anti-Comintern defence agreement.
4. Joint economic development and exploitation of China's natural resources.
5. Japan's pledge to withdraw her troops from central and south China within two years after a peace agreement is arranged between Wang and Japan.
6. Nationalization of China's railways.

Observers saw in the nationalization of China's railways, upon which Wang insisted, an attempt by Wang to provide himself with an important political weapon with which to continue his political war against the Chungking Government.

The terms on which Japan is willing to negotiate peace with Wang were regarded here as representing considerable concessions on her former demands, particularly regarding the agreement to withdraw her troops from the Yangtze and Pearl River areas and to the nationalization of China's railways.

Special Sphere Blocked

Wang was said to have blocked Japan's proposal that a special Japanese sphere of influence be established in the Shanghai-Hangchow-Nanking area by refusing to grant political privileges. However, it is believed here that Wang will make special concessions to Japan in that area.

The above programme is understood to have been agreed upon between Wang and the Japanese army in Nanking on December 20. Wang is expected to confer with the leaders of the Peiping and Nanking régimes about January 15 preliminary to the establishment of a central régime under the "Kuomintang" banner. Formal peace negotiations with Japan will then begin, it is understood.

The Premier, Gen. Nobuyuki Abe, reported to the throne today on developments in the establishment of a new "Central Government" in China.

Meanwhile, the press gave prominence to the impending establishment of the new Central Government, and speculated on its final form.

Agreement Welcomed

The "Asahi Shimbun" said that the termination of the China Affair might be sought along the lines of the Konoye statement in order that the new Chinese Government might be an independent one and not a puppet government.

The "Asahi" said that the Chungking Government "dreads" the establishment of the new "Central Government" under Mr. Wang Ching-wei, ousted member of the Kuomintang. The Chungking Government would like to see the proposed new Government degenerate into a puppet, as that would give them a plausible pretext for keeping up their resistance against Japan. The journal said.

The "Miyako Shimbun" demanded that the Government reveal whether the principles of the Konoye statement had been amplified by the Government decision to accept the terms of the Wang Ching-wei, representatives now in Tokyo.

The "Kokumin Shimbun" expressed pleasure at the report that the Government had decided on a basic policy toward the proposed new Government, but deprecated efforts to give a new term to the Abe Cabinet by taking advantage of the establishment of the Government in China.—United Press.

Washington Watching

Washington, Jan. 9.

The United States will naturally follow all phases of Japan's reported plan to establish a new "Central Government" in China under Mr. Wang Ching-wei, Mr. Cordell Hull, the Secretary of State, told the press yesterday.

United States' information on this subject is based chiefly on press reports, he said. The United States lacks full information on all the implications of the reported Japanese move, he declared. Mr. Hull stated that he was unable to comment under such circumstances.

Neither Japan nor any other source has officially informed the United States of the plan, Mr. Hull revealed. He announced that he had discussed with the Japanese Ambassador to Washington, Mr. Kensuke Horinouchi, over the week-end general subjects in which both countries were interested, but the question of the proposed Wang Ching-wei Government plan had not been discussed. He did not attempt to reach a decision on any matter in his conversation with the Japanese Ambassador, he declared.—United Press.

A "Turning Point"

Tokyo, Jan. 9.

Although overshadowed by the growingly serious Cabinet crisis, which virtually all newspapers feature, the "Japan Times" this morning comments on the Cabinet's approval of the understanding with Mr. Wang Ching-wei regarding the forthcoming organization of a new régime in China.

"Perhaps it is merely a single step," the newspaper says in regard to the proposed new régime, "toward a solution of the situation in East Asia, though of far-reaching significance and marking a turning point in the China Incident ..... It will undoubtedly offer a new criterion whereby the relations between Japan and other Powers in China may be measured and duly adjusted."

"Still more important," the "Japan Times" adds, "is that the fundamental basis for Sino-Japanese economic co-operation must be fixed before the new administration is actually formed."—Reuter.

Officials Return

Tokyo, Jan. 9.

Their work completed with the action taken at the emergency session of the Cabinet yesterday, representatives of Japanese military authorities in China were scheduled to leave Tokyo by air today for Nanking.

The Cabinet yesterday approved policies relating to the inauguration of the new Central Government of China.

The representatives of the Japanese authorities in China arrived in Tokyo on Thursday to report to Government authorities on the trend of affairs in China and the results of a series of conferences with Mr. Wang Ching-wei, who will be the central figure of the new Government.—Domei.

N. China Regime Independent

Peiping, Jan. 9.

The Japanese spokesman here today characterized as "correct in principle" reports published locally that North China will have a special status under the proposed Central Government.

Reuter learns the new régime in North China will be similar to the Hopei-Chahar Political Council, which existed before hostilities broke out. The administrative area, it is said, will include Hopei, Shantung, Shansi and the three special municipalities of Peiping, Tientsin and Tsingtao.

The new régime, it is stated, will have the power to conduct direct diplomatic negotiations.

If local indications are correct, the position of the new local régime will not be a great change from the present "Provisional Government."—Reuter.

New Regime Not to Be "Puppet"

Tokyo, Jan. 8.

Writing in the widely-read "Nippon Hyoron" ("Japan Review") Dr. Chu Min-yi, described as the right-hand man of Wang Ching-wei, gave Japanese readers a lengthy and frank "lesson" on the mistakes and "injustices" of Japan's policy towards China.

The article is seen as an indication that the Japanese authorities have recently adopted a more liberal attitude towards all written comments on the China affair, for Dr. Chu's plain speaking would certainly not have gone past the censors had it been uttered a few months ago.

The history of the past few years, especially since the Manchuria Incident, shows, according to Dr. Chu, that Japan has been "fascinated by the idea of displaying armed force."

Japan, he says, has been mistakenly attempting to find a solution to her economic problems through pressure against China by political and military force.

Aggression Unnecessary

"Should Japan have pondered on her geographical position and that of China, she ought to have refrained from planning to carry out an act of aggression against China by European and American methods," he declares.

Elsewhere, he states that Japan has been a decisive factor in influencing the Chinese to hold imperialism in abhorrence.

The object of the Japanese plan backed by military force was to put into practice the slogan "Industry for Japan and Agriculture for China," Dr. Chu continues. But, he protests, there is no reason why any country should remain an agricultural state forever.

"The mission of the Kuomintang," Dr. Chu goes on, "is to carry out the economic construction of the country, economic co-operation will end in a one-sided monopoly.

"China means to resist political or military pressure brought to bear upon her," he says. "On the other hand she will be only too glad to respond to any suggestion for establishment of peace."

Warning Against Injustices

Mr. Wang Ching-wei's right hand man further warns the Japanese authorities that there are still strong "injustices" being committed in the Japanese-occupied part of China. He cites as an example the alleged monopolistic Central China Development Co., a semi-official Japanese organization, in which, he complains, it is virtually impossible for Chinese to participate.

"Sino-Japanese economic co-operation," Dr. Chu warns, "must be based on the principle of equality. Capital, labour, and technique are the three essential factors thereanent. We can never consent to the impairment of our territorial and administrative integrity for the sake of economic co-operation."—Havas.

Government Acts Against Commodity Prices

Chungking, Jan. 8.

Chinese authorities are taking measures to curb the rise of commodity prices throughout China. Experts, appointed by the National Government to examine the problem, are concentrating their investigations on essential commodities such as fuel, rice, oil and salt.

Efforts are being made to increase production of essential commodities at lower prices, to lower the cost of transportation of such commodities, and to reduce middlemen's costs.—Reuter.

Former Canton Leader In Chungking

Chungking, Jan. 9.

The presence in Chungking of General Chen Chi-tang, former Chairman of the South-west Political Council in Canton, is indicated by an official announcement in the Chinese press this morning.

The announcement states that he delivered an address at yesterday's weekly memorial service at the Central Kuomintang.

In his speech, General Chen Chi-tang declared that those who used to be sceptical about China's chances in the war against Japan now "no longer entertain such doubts, as 30 months of war have proved that China is making progress in the military as well as political sphere, while Japan has suffered heavy losses and is facing a serious economic crisis."—Reuter.

New Regime Will Be Confined to Canton

Chungking, Jan. 11.

Early establishment of a "puppet" régime in Canton by Mr. Wang Ching-wei is forecast by well-informed Chinese quarters here. They claim that despite the formation of the proposed central government of China under Mr. Wang Ching-wei by the Japanese, the Peiping and Nanking régimes would remain more or less beyond the control of Mr. Wang Ching-wei, who, therefore, must seek the establishment of his own foothold elsewhere.

Under present circumstances, Chinese circles state, Canton is the only logical place where Mr. Wang Ching-wei is in position to establish such a régime, particularly as he and many of his followers are from South China.

It is alleged that the Japanese drive to the north from Canton, along the railway towards Shookwan, was for the purpose of preparing the way for the establishment of a "puppet" régime in South China.

Failure of the Japanese drive, according to Chinese quarters, is expected to affect these plans, which are stated to have received a stiff blow in the recent visit to Chungking of Mr. Ku Meng-yu, well-known Kuomintang leader who was formerly a close associate of Mr. Wang Ching-wei.

Mr. Ku Meng-yu, who flew to Chungking from Hongkong last month, is reported to have definitely declared his opposition to Mr. Wang Ching-wei's peace move.

Mr. Ku Meng-yu returned to Hongkong on December 14 by air after successful conversations here with Government leaders.—Reuter.

Chinese Confer in Hongkong

Hongkong, Jan. 13.

Mr. Hsu Shih-ying, former Chinese ambassador to Japan, arrived here from Chungking on Thursday night to meet Dr. C. T. Wang, former Foreign Minister, who reached Hongkong yesterday from Manila.

Dr. Wang's return was understood to be for the purpose of assisting Dr. Wang Chung-hui, Foreign Minister, in negotiations with foreign envoys when various foreign ambassadors assemble in Chungking soon.

Mr. Hsu was understood to have brought with him a concrete diplomatic programme which the Chungking Government recently decided upon. Dr. Wang and Mr. Hsu reportedly were expected to discuss this programme in co-operating for its execution.

Embargo Favoured

In view of the impending expiration of the Japanese-American trade treaty, the Chinese Government has made repeated appeals in the name of Government leaders, including Dr. Wang Chung-hui and Mr. T. V. Soong, for the passage through congress of Senator Key Pittman's embargo bill against Japan, at the same time making every effort to obstruct the renewal of the Japanese-American trade treaty.

In concert with these efforts of the Chungking Government, Chinese unofficial organizations also have dispatched telegrams under the joint signatures of Dr. Chang Po-ling, President of the People's Political Council, and of the presidents of various universities.—Domei.

Dr. Ku Meng-yu Did Visit Chungking

Chungking, Jan. 13.

Denials by associates of Mr. Wang Ching-wei of reports that Dr. Ku Meng-yu, former member of the Kuomintang Central Executive Committee and Wang follower, had visited Chungking are discounted here today.

During his stay Dr. Ku called on many Government leaders. When he left there was a large gathering to bid him farewell.—Reuter.

Sir Stafford Cripps on Way to Chungking

Hongkong, Jan. 14.

Sir Stafford Cripps, the British Labour Party leader, left Kunming at noon yesterday for Chungking, according to a telegram from the Yunnan capital today.

Sir Stafford was accompanied by Mr. W. H. Donald, Australian adviser to Gen. Chiang Kai-shek. Sir Stafford and Mr. Donald flew from Rangoon on a Burma-Chungking plane. Mr. Donald had been in Rangoon since end of December reportedly to make arrangements with railway authorities of Burma regarding transportation of commodities through Burma.—Domei.

Gold Mines Bureau Formed

Shanghai, Jan. 13.

A gold mining bureau has been formed by the Ministry of Economics, and organized groups of experts including those of the Academia Sinica have been sent out to various provinces in "free China" to find gold mines which are said to be plenty in an effort to enrich China annually by more than $300,000,000 with which she will buy foreign exchange to assist her in her present struggle for independence. This interesting fact is revealed in a special correspondence published by the "Chinese American Daily News" asserting that efforts made by Chungking along this line have so far been very successful.

It is pointed out that prior to the hostilities, little attention was given to the gold mining industry but that the Ministry of economics has now established the "Tsai Ching Chiu," meaning the gold-digging bureau, in order to bring the business under Government control. This bureau has been requested by the four Government banks to buy and receive gold from gold-producing districts on their behalf. Investigation groups have been appointed by the Government to work in various provinces in the southeast with a view to discovering or developing gold mines.

The state-controlled gold mining companies are said to be located in Konting, Taining, Tao-fu and Yuko, all districts in Sikong where the Sikong Gold Mining Bureau has been established. Two other such gold mining bureaux are in Chinghai. Surveying and detecting parties have been organized. These experts are working in two gold-mining fields in Hunan. Two gold mines are located in Songling and Shaoping in Kwangsi Civilians are welcomed to make investments in gold-mining business and it is stated that 56 more additional permits have been granted to civilians who are thus allowed to open private companies.

A survey reveals that god mines have been discovered or developed in Sikong, Yunnan, Kweichow, Hunan, Kwangsi, Shensi, Chinghai and Singkiang all under the control of Chungking. Gold is also said to be produced in Kwangtung, Kiangsi, Honan and Kansu. The biggest gold-producing province is said to be Szechwan where several places are named after gold because they produce gold. In the western part of the province, rich gold mines are located in Chingsarkiang, Tachingchwan and Siaochingchwan. The character "ching" means gold. Many gold-producing districts are mentioned. Sikong is ranked the first among all southwestern provinces in producing "searching," a kind of gold obtained from sand. The annual gold production in Chinghai amounts to 7,000 ounces.

A semi-official statistical survey of gold mines reveals that annually Szechwan and Sikong produce 30,000 ounces, Kansu and Chinghai 20,000 ounces, Hunan, 20,000 ounces, Kwangtung and Kwangsi, 20,000 ounces and Singkiang and Outer Mongolia, 10,000 ounces totalling 130,000 ounces. It is asserted that if the ministerial mining scheme can be successfully carried out, China will be able to obtain $300,000,000 worth of gold annually. This does not include gold in Yunnan, Singkiang, and Kansu where the business has not yet been developed.

Boycott of Japan to End Aggression Urged

New York, Jan. 9.

Dr. Hu Shih, Chinese Ambassador to Washington, suggested yesterday that democratic, peace loving peoples boycott Japan as a means of accelerating the breakdown of the Japanese military machine in China.

In an address before the Brooklyn Institute of Arts and Science, Dr. Hu urged that an effective embargo be placed on war materials to Japan.

Dr. Hu did not name the United States specifically in this connection, but previously described the United States' economic and naval power as a stabilizing force in the Pacific and referred to the expiration of the Japanese-American trade pact on January 26 as an example.

He asserted that the determination of the Chinese people is to fight until Japan is economically so exhausted and its military machine so bogged down that she will be willing to accept an endurable peace.—United Press.

British Envoy Visits Dr. Wang Chung-hui

Hongkong, Jan. 9.

Sir Archibald Clark Kerr, British Ambassador, was closeted with Dr. Wang Chung-hui, Chinese Foreign Minister, for more than an hour at Chungking yesterday afternoon, according to dispatches received here today. The substance of their conversation was not disclosed. The British Ambassador arrived in Chungking on Thursday.—Domei.

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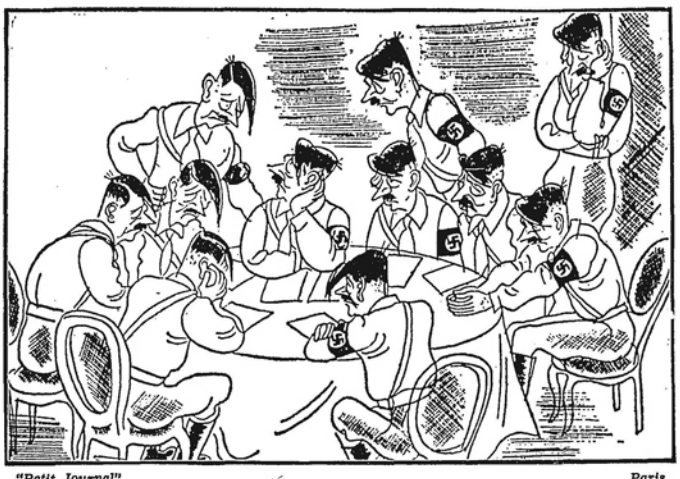
The World's Wit and Humour



"Petit Journal" *Paris*

COUNCIL OF WAR.

"Sunday Chronicle" *London*

THE WEDDING MARCH.

"Marianne" *Paris*

"AND even if the Siegfried Line is flooded, it is just so that the English can't go there to dry their linen."

"Wilmington News" *U.S.A.*

STALIN REVOLUTIONIZES THE DRAMA.

"Lynchburg News" *U.S.A.*

"Nero Would Have Enjoyed Knowing Guys Like This."

"L'Intransigeant" *Paris*

THREATENED HOLLAND!

"Hermann! Don't deflate yourself whatever you do!"

"L'Ordre" *Paris*

"What is he meditating about?" "He is wondering if he does not run the risk of being the author of the next attempt against the Fuehrer's life."

"New York Times" *U.S.A.*

IN NO MAN'S LAND.

"New York Journal" *U.S.A.*

THE COMMUNAZI ACT GETS A BAD HAND.

"Wilmington News" *U.S.A.*

"FELLOW WORKERS, ARISE!"

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Rifles and Hoes Keep Company: Some Farmer-Soldiers

Soldiering is no longer a profession in China as it has been in the past. In addition to conscription and the voluntary military service which is being offered by able-bodied men in what are termed "experimental districts" in the interior, peasants have been armed by the Chinese Government against invaders. The arming of peasants is a war measure used by the Chinese Communists in border provinces such as Shansi and Shensi, the practice being also prevalent in Kwangtung and other parts of the country where guerillas are recruited. Peaceful peasants are given military training and are seen tilling the ground. When, however, it comes to reckoning with the enemy the peaceful peasants turn into soldiers. In many parts of the country there is the slogan that there should be no distinction between soldiers and farmers.

Two of the men in this file are wearing tin hats and carrying rifles.

Members of the "Kwangtung Civilians' Anti-Japanese and Self-Defence Corps" carry hoes but also their guns.

On their way to the field which may be a war front.

Two typical farmer-soldiers. They have shed their uniform and shoes.

Helping a woman to clear a field in a hurry, with the idea of leaving as little as possible to "comfort the enemy."

One farmer-soldier is at work while his companion keeps a look-out.

A typical village scene. A farmer-soldier in the background stands guard over the workers.

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BIRTHS

AZAR.—On January 7, at the Country Hospital, Shanghai, to Mr. and Mrs. M. A. AZAR, a daughter.

DAVIES.—At the Country Hospital, on January 6, to Mr. and Mrs. J. D. DAVIES, a son.

HSU.—On January 6, 1940, at the St. Paul Hospital, Hongkong, to Mr. and Mrs. Jabin HSU, a son, JOHN.

REYNOLDS.—On January 14, 1940, at the Country Hospital, Shanghai, to STELLA, wife of Ronald U. Reynolds, a daughter.

ENGAGEMENT

TOEG—MOSES.—The engagement is announced of EZEKIEL TOEG, son of the late A. A. Toeg and Mrs. A. A. Toeg and WINIFRED DIANA MOSES, youngest daughter of Mr. and Mrs. A. E. Moses of Shanghai.

DEATHS

BOTELHO.—On Tuesday, January 9, 1940, at the Shanghai General Hospital, MARIA THERESA BOTELHO, in her 55th year, the beloved wife of Julio Victor Botelho and mother of Horacio, Guido, Dolores and Alicia Botelho. (Hongkong and Japan papers please copy.)

CRANK.—On Tuesday, January 15, 1940, at the Shanghai General Hospital, DUNCAN ERNEST CRANK, aged 20 years, (Probationary Sergeant, Shanghai Municipal Police) the beloved youngest son of Mrs. B. Crank and the late Mr. G. Crank.

MOTTU.—On Tuesday, January 9, 1940, at her residence, 29 Tunsin Road, Shanghai, MARGARETHA MOTTU, aged 61 years, widow of the late Mr. A. L. Mottu and mother of Mrs. C. R. Getz, Camille, Iris and Louis Mottu. (Kobe and Yokohama papers please copy.)

NICHOLSON.—On December 10, 1939, at Kirkcaldy, Scotland, GORDON NICHOLSON, aged 42, late Chinese Maritime Customs. Hongkong papers please copy.

POGORZELSKA.—On Tuesday, January 9, 1940, at her residence, 99C Route Vallon, ZOFJA POGORZELSKA, aged 77 years, the dearly-beloved mother of Mrs. H. K. Drazdil.

SHARP.—On January 12, 1940, at Dumbarton, Scotland, GEORGE C. SHARP, aged 60 years. Late Chief Engineer, China Merchants S. N. Co.

SKENAZI.—On January 11, 1940, at her residence, 342 Route Cohen, Shanghai, Mrs. SARAH SKENAZI HAIM, aged 71.

WILSON.—On January 14, 1940, at Ebford Barton Topsham, Devon, after a long illness, HELEN WILSON, wife of Alan Wilson, former Commissioner of C. M. Customs.

IN MEMORIA

CUMMING.—In loving memory of my dear husband, Dr. H. LOVETT CUMMING, who passed on to a higher life January 13, 1928. Thou art ever with me. Doris.

KATZ.—In loving and everlasting memory of CLARA, our dearest Mother and Grandmother, who departed this life on January 11, 1939. "Forever in our thoughts."

TAYLOR.—In everloving memory of my dearly beloved wife ETHEL MAUD (Dolly) who fell peacefully asleep on January 11, 1939.

"Not just today, but every day, in silence I remember."

BALKAN MOVES

Jan. 10.

The fact that Count Stephen Csaky, Hungarian Minister for Foreign Affairs, abandoned the idea of having a holiday after his conversations in Venice with Count Ciano, and instead hurried back to Budapest, suggests that some progress was made in the difficult task of forming a Balkan bloc for the maintenance of peace on the one hand, and defence against the inroads of Communism on the other. It is much too early to believe that any real progress has yet been made in bringing the Balkan States together, for there is so much to keep them apart that it may require a very considerable period of patient negotiation before existing issues are sufficiently adjusted to permit of the creation of a much more cordial admosphere than at present exists. The post-war settlement of Balkan troubles was just about the most unfortunate arrangement that could have been come to, and sowed the seeds for further troubles instead of effecting a permanent settlement most conducive of peace. Thus Rumania, more than doubled in size after 1918, through the acquisition of Transylvania from Hungary, the Dobrudja from Bulgaria and Bessarabia from Russia, has around her neighbours who wish the return of their former territories. Hungary lost further territory to Yugoslavia and Burgenland to Austria, and the general effect of the peace settlements has been to maintain the Balkans in a state of instability and division at a time when the completest friendship and co-operation is necessary not only against the possible invasion of Russian influence but also against that of Germany. It was in the disunion prevailing in the Balkan States that the Reich had its best opportunity of pursuing its policy of *drang nach suden* to which the only real check has been the reluctance of Italy to see its own dominant role subordinated to the wishes of Herr Hitler and his government. It is possible that Italy and Germany could have agreed for a considerable period just what were to be their particular spheres of interest, but following Herr Hitler's surrender to Moscow in August of last year, and the Kremlin's demonstration of the significance of its foreign policy, a complete change came over the whole situation.

Italy was then awakened to the possibility of a challenge to her own position in the Balkans, not from Germany, but from Russia, with at least something in the nature of German toleration if not actual consent, and the prospect of Bolshevism extending its influence right up to the east coast of the Adriatic was not one of the most pleasing to Italian eyes. This did not mean that the Balkan States were willing to accept the spread of Communism. Indeed it may safely be said that if there is one thing upon which they are in a fair measure of agreement it is in offering opposition to the onward march of the Bolsheviks. The position now appears to be that Italy is prepared to render military aid to Hungary if that country is attacked by Russia. There is some difficulty regarding the passage of Italian troops through Yugoslavia, but that, it appears, is by no means incapable of adjustment. Then there is the more immediate menace to Rumania. King Carol in a very significant speech last week made it quite clear that Rumania would resist any attempt by force to infringe its territorial integrity. An improvement in Rumanian-Hungarian relationships would be the first step towards securing a common front against Bolshevism. It has long been believed that between Rumania and Bulgaria there has been a tacit agreement which relieves the former of any immediate anxiety concerning the Dobrudja, and if it could be brought about that Hungary would undertake to refrain from harassing Rumania on the subject of Transylvania so long as she was menaced by Russia, an understanding may be reached whereby longstanding differences might be thrust into abeyance until the more imminent threat of Russian incursions had been dealt with. It would be the height of good statesmanship if the outstanding questions between Rumania, Hungary, Bulgaria and Yugoslavia could be settled once and for all. That, however, is a matter attended by very considerable difficulty, and the Italian Government is probably adopting the best line when it seeks to minimize causes of possible dispute and thus bring about a common front in opposition to the very apparent designs of Moscow.

The "Venice Policy" is obviously designed to prevent third parties taking advantage of the intra-Balkan disputes, and to provide an atmosphere in which they may be settled amicably. One of the obstacles to a thorough settlement is the very definite stands that King Carol has indicated, involving the determination of his Government to make no such territorial concessions as alone could satisfy his neighbours and thus bring about a better state of affairs. On the other hand it may be possible for Italo-Yugoslav efforts to procure some sort of *modus vivendi* between Rumania, and Hungary, which in itself would bring about a generally easier situation in the Balkans. It is quite clear that if those States are ever to combine in a common resistance to the onward sweep of Bolshevism there will have to be introduced a greater spirit of give-and-take than has been apparent up to the present. All of them must understand by now that if they fail to combine, Russia will be able to pick them off one by one because of the weakness which would be attendant upon the maintenance of existing divisions. The Italian policy seems to be in the light of all the circumstances the only correct one, and it is to be hoped that it will succeed in achieving those ends which alone can ensure the continued existence of the Balkan States and their freedom from Russian domination. It is almost as clear that were the Soviet Government to endeavour to seize control of the Balkans by force of arms, Italy in sheer self-defence would have to offer military opposition. She would be in a much better position to do that effectively if she had the united support of the nations in whose defence she would also be acting. A Balkan bloc supported by Italy would produce an invincible opposition to all Russia's plans to reach an outlet on the Mediterranean, and would be the best possible defence to western Europe so sadly menaced by the defection of Herr Hitler to the Soviet Government. It is possible, therefore, that these recent conversations at Venice may be productive of much good, and that the way is being opened for the maintenance of the integrity of the Balkan States and the supremacy therein of Italian interests.

A GREAT SPEECH

Jan. 11.

Nothing could be more inspiring than the speech delivered by Mr. Neville Chamberlain at the Mansion House on Tuesday. It will be read with gratification by the Allies, with sympathetic understanding by most neutrals, and no small amount of discomfort by the enemy. The man who in 1938, and up to September of last year, worked so earnestly for peace, accepting humiliations for which he was bitterly criticized in most parts of the world, now stands forward as a mighty leader in war, a man who having put his hand to the plough, no matter how reluctantly, will not remove it until the furrow is completed. In vigour he has equalled the speeches of Mr. Winston Churchill, and he has made it quite plain to the world at large that, now the policy of war has been forced upon him, he will prosecute it with just the same fixity of purpose as that with which he sought to pursue the paths of peace. He has already shown that with him there can be no question of half-hearted measures, and that in war as in peace he is willing to accept the full responsibility of leadership. That he has shown ever since he assumed office, and in his indirect reference to the resignation of Mr. Leslie Hore-Belisha he has made it clear that he intends to be the master in his own house and to have the Cabinet under his control. It is most gratifying to learn from the Prime Minister that the aid which will be given to Finland will be no mere gesture, and that the assistance will be real and substantial. That should serve not only to encourage the Finns in the wonderful struggle they are putting up against the Russian invasion, but should serve to assure the Scandinavian countries, who are anxiously watching the situation, that they too in their turn will receive assistance should they come to be attacked. Mr. Chamberlain does not extend the ranks of the enemy when he points out that while the major responsibility for the war must rest upon Herr Hitler and his associates, the German people, themselves, cannot hope to escape their share of it. This is not the first time that the German peoples have menaced the peace of Europe, and that fact when peace comes to be negotiated will have to be taken into consideration.

If that passage in his speech means anything at all it can only be that he and the French leaders are determined that, no matter who may be the future rulers of Germany, that nation shall not again be allowed to regain a position from which it can threaten the security of the whole of Europe. How that is to be done is still to be seen, but that must always remain one of the main objectives of the Allies. Mr. Chamberlain has minced no words in addressing the peoples of the Empire in this time of crisis. He warns them of the rigours of war and the necessity of sacrifice. A complete war-time change in the industrial and economic life of Great Britain has become necessary. Civilian production has to give way to war production. Export trade must be fostered to acquire foreign currency, and the luxury trade must give way before its imperative demands. In this connection consultations with the Labour Unions will be necessary to bring about the requisite shifts in labour and working conditions, and it is clear that the Prime Minister envisages the welding of the whole economic and industrial life of the Empire into one huge war machine in which there will be little room for anything save the most adequately disciplined co-operation. It is because of the breadth of vision which Mr. Chamberlain has displayed in this speech, and the complete grasp of the problems which this war must inevitably create that his remarks will be accepted as so inspiring. The cold determination of the man whom Herr Hitler deluded for a while is mirrored in the same definiteness of purpose with which the Allies have accepted the challenge which Herr Hitler threw down when his forces invaded Poland. Mr. Chamberlain may not have the fire of Mr. Lloyd George, but he has about him that quiet business-like dispassionateness which is best fitted for leadership in the catastrophe which has befallen Europe. Those who have consistently supported the Prime Minister, especially after the betrayal of Munich, find themselves completely justified. He has proved to be a bigger man than was ever anticipated, and a leader whom the Empire can follow with the completest confidence. The restraint which he displayed throughout the whole address would alone be sufficient to justify it in doing so.

It was only to be expected that Mr. Chamberlain would devote most of his address to considering the immediate problems of the war, but it is interesting to note that, before he concluded, he briefly outlined his idea that the Anglo-French alliance of today should form the nucleus for an economic-political system including many other States as a basis of future peace. That idea has been growing in popularity since the war started, and there is every reason to believe that, now that the mistakes of the last peace have been realized, it should not be beyond human wisdom to devise some such scheme as would ensure justice all round, and consequently contribute to a lasting peace. Such a scheme need not necessarily mean the federation of the States of Europe similar to that of the United States. The difficulties of successfully operating such a system are all too apparent, but any arrangement which led to a completer understanding of the various European nations, and a corresponding desire to assist in their solution must contribute largely to the future peace and good order of a sadly-stricken Continent. It is still too early for the Allies to make a definite statement of their war aims, beyond those which have already been made. Those for the most part deal with the remedying of those injustices which Germany has wrought upon those smaller nations which she has attacked. For the rest a more appropriate time must be awaited. There is, however, no reason why the attention of statesmen should not now be turned to the question of how to devise a better order in Europe than has prevailed up to the present. The firmness of the Anglo-French alliance, the manner in which the interests of the two individual nations have been subordinated to their common weal, the fact that their forces are fighting as one unit, and their economies dealt with as one single entity, undoubtedly does support the belief that an extension of the system should not only be possible, given that degree of good faith which exists between Britain and France, but would be the best means of serving European interests. When it is approached the problem will have to be tackled in an atmosphere devoid of the hates which have unfortunately existed. There can be no vindictive peace and that Mr. Chamberlain shows he clearly realizes.

FINNISH SUCCESS

Jan. 12.

The further crushing defeat administered to the Russian army at Soumussalmi, the biggest success which the Finns have achieved since the outbreak of hostilities, is an undeniable fact, for even the Leningrad command's headquarters admit in a communiqué that, as a result of the fighting, the Russian forces retired several kilometres west of Suomussalmi. The Russian Ninth Army Corps, consisting of the 44th, 163rd, and 164th Divisions, has been practically annihilated in the course of three battles between December 24, and January 7 both west and east of the lake Kianta, from which it is to be concluded that the Russian attempt to drive a wedge across Finland to Uleaborg, and thus cut the country in half, has been disastrously defeated. Against this it is reported that the Soviet Government is prepared to amass an astonishingly large number of troops for the purpose of making another endeavour to break through, in order to wipe out the damage to Soviet prestige which this new defeat means for them. There are reports that a German military mission is to be sent to Russia to reform the Soviet army, and, it is to be concluded, instruct the Russian command in the best means of endeavouring to turn present defeat into a rather more pleasing victory. At the same time there is a certain amount of tension between Italy and Germany over the latter's refusing to permit Italian material aid for Finland to pass through its territory, an open, and specific departure from neutrality in the Finnish-Russian struggle. It is anticipated that this refusal may have serious repercussions, the likelihood of which being increased by the stern enmity, which Italy, under Signor Mussolini, has consistently displayed toward the Soviet régime. It may be that Italy will be content for the moment to send her supplies to Finland by a rather more roundabout route than through Germany, but that the latter in its desire to assist a friend, whose aid up to the moment has been nothing but an embarrassment, is still weakening the Rome-Berlin Axis is a fact which cannot be overlooked when endeavouring to form any estimate as to possible future developments.

It will be remembered that it was only a few months ago that it was freely reported that the German high command was strongly in favour, for military reasons, of forming an out-and-out alliance with Soviet Russia. To this Herr Hitler was reluctant to agree, and it is believed that had it not been for his intention to engage the Allies, and his fear of having to fight upon two fronts, he would never have agreed to the proposal. He appears to have been entirely misled by the advice of Herr Joachim von Ribbentrop, who, given the opportunity of endeavouring to restore his diplomatically-fallen fortunes, came back from Moscow with the German-Soviet Non-Aggression Pact, which was quickly shown to mean more than originally appeared on its face. The might of the Russian armies, and the potential material aid of which it was alleged Russia was capable, undoubtedly broke down Herr Hitler's opposition to any such scheme, and, within the space of less than five months, he now finds himself the victim of bad advice, the loser of German predominance in the Baltic, and without that material aid with which it was thought to defeat the Allied blockade. In exchange for all this he has received nothing but the calculated friendship of Russia which the Finns are most gallantly showing may turn out to be a rather more serious liability than it has even up to the present. The Finns have shown that the much-vaunted strength of the Soviet armies is nothing ut an empty façade. They have demonstrated that the most-tenderly-cherished army in the

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world, far from being invincible, has been defeated time and time again by smaller forces, and in a manner which does not permit of the theory of fortunate chance but only of complete inferiority. Where that inferiority springs from is an entirely different matter, but the many purges, in which the Soviet army has been deprived of the leadership of the men who might have done best for them, cannot be ignored. It is doubtful whether the German military mission will be able to effect any speedy reforms which should ensure a Soviet victory over the Finns, for the latter have by now established such a degree of moral superiority, and the morale of the Soviet troops must by now have suffered such deterioration, that to inspire them with a new fighting zeal may well be beyond even the capacities of the German experts.

It is gratifying to learn that no fewer than eighteen nations are coming forward with assistance to the Finns, and that the help which the Allies will afford will amount to no mere gesture. That Sweden and Norway realize the position, and the danger which Russian victory over Finland means for them, is apparent. But they are receiving every encouragement in the victories of the Finns to do all in their power to make those successes permanent. The Finns have shown that the Soviet Armies, despite superiority in numbers, can be beaten, and it depends very largely upon the type of assistance which the Scandinavian countries are willing and able to give to them, whether the present menace to themselves shall be finally eradicated. It is possible that, in the comparatively near future, Sweden at least may have to take very serious decisions. That entry of the country into war on the side of the Finns would be largely popular is demonstrated by that fine Swedish youth which is volunteering for service on the side of their neighbours in such gratifying numbers. The ability of the Finnish command, the bravery of Finnish soldiers have demonstrated to the world at large, and Scandinavia in particular, that the Russian war machine can be defeated. Even more has been proved, and it is that timely co-operation may at any rate relieve the northern peoples of Europe of the continual menace of the supposed Russian might. The rest of the world has been clearly shown that the assistance they are willing to give these gallant defenders of their homeland will not be wasted, and that it in fact will contribute largely to the confidently-expected democratic victory. It will not be a blunder: it will be a crime if every ounce of assistance possible is not given to the Finns in defeating a nation whose success means, at any rate for a time, their own extinction. They are covering themselves with great glory; they are fighting for just that same freedom which is the very life-blood of the democracies, and in their struggle they have the heartfelt wishes and profound admiration of all those whose battle they are in fact fighting so successfully.

WHERE RUSSIA STANDS

Jan. 13.

The reports to the effect that Anglo-Soviet relations are going from bad to worse will, when the circumstances of the past four or five months are recalled, surprise nobody. It is inevitable that they should do so, and with the arrival of Sir William Seeds, British Ambassador to Moscow, in London, there is a distinct possibility that he will never return to his post. As it has been rightly pointed out in the "Osservatore Romano," there is rising a growing wave of world-wide indignation against Soviet Russia for her invasion of Finland. The Soviet Government has just as completely put itself outside the pale of international decency as has Herr Hitler and his entourage. That indignation is as sharply felt throughout the British Empire as it is in the United States, as keenly in France as it is in the Scandinavian countries, and the democracies of the world have plainly shown that they will render all the assistance they can to Finland in its manly stand against what originally appeared to be overwhelming aggression. A great deal has been written about the alleged perfidy of M. Stalin in coming to an agreement with Herr Hitler for a non-aggression pact at a time when his ministers were in negotiation with Great Britain and France for a mutual defence pact against the German threat. Much of what has been said was undoubtedly inspired by the surprise that this development created when it was made known in August of last year. But the passage of time has clearly shown that M. Stalin was running true to form, and that the removal of M. Litvinov from the Commissarship for Foreign Affairs was actually the plainest possible notice that M. Stalin was preparing a *volte face* in which the old policy of collective security was to be thrown to the winds, and the Soviet preparing to sell out to the highest bidder. It is also known now that part of the price which was expected of the Allies was the giving of Russia a free hand in the Baltic and the Balkans, and the Allies, not yet having descended to the depths where the sacrifice of small nations can lightly be undertaken, refused to pay the price.

They would have had a bad bargain if they had done so, as Herr Hitler now knows. Instead of securing the assistance from Moscow which it was confidently expected in Germany would be forthcoming, the Kremlin is now beseeching Berlin for help. While it would not be true to state that the Finns have held up the Russian army to the world as a thing of no account, it is correct to argue that they have shown its power and efficiency to have been vastly overrated, and that claims regarding the merits of the Soviet army have been grossly exaggerated. There is not one valid excuse which the Soviet can advance for the failure of its armies in Finland. It knew the conditions under which they would fight, conditions paralleled in their own country, and yet it has been shown that they were neither equipped nor adequately trained for carrying on that type of warfare, and the fact that Moscow has asked Germany for aid in remodelling her forces is a complete admission of the failure of all Moscow's armament plans. In the circumstances there does not appear to be any great risk in the various nations of the world demonstrating their condemnation of Russia's immoral invasion of Finland by breaking off diplomatic relations with her, and giving every possible assistance to the Finns. A situation has been brought about solely by M. Stalin in which, if the various nations of the world were to refrain from going to Finland's aid, they would in fact be departing from the only neutrality which can be observed in the circumstances, a neutrality benevolent to Finland. When wars assume the complexion of struggles between the principles of good and evil, it is impossible to maintain an attitude of complete, and dispassionate impartiality. Those who stand for the good must go to its aid; those who prefer evil will delight in furthering its ends. The breaking off of diplomatic relations with the Kremlin may not lead to a spread of the present conflagration. That is at any rate true for the present, for preoccupied with the Finnish resistance which is taxing the Soviet more than was ever anticipated, it is unlikely that M. Stalin would seek to indulge in ventures elsewhere. Should he care to do so, there is every justification for believing he can be properly dealt with.

It has been suggested that the Soviet Armies might threaten India, but the difficulties they would encounter in any such venture, while somewhat different from those in Finland, are nevertheless equally as serious. Added to that fact is that they would meet with an equally determined and well organized resistance. The same is just as true in the Middle East. In any event the initiative would be left entirely in the hands of Moscow, for it is not part of the Allied policy to embark upon any war of aggression against Russia, first because it is not necessary, and secondly because it would offer no chances of a victory which might profitably serve the ends of peace. There is always the possibility that the present relationship between Germany and Soviet Russia may be transformed into a full military alliance. That is not a prospect greatly to be feared, for if Soviet Russia cannot now afford Germany that assistance which Berlin so confidently expected, it is not to be believed that a closer bond would in any way increase their common resources. A Russia wholly at peace might be able to afford Germany some supplies, though even then not great in volume. Involved in any common military venture all that she has would be required for herself. And should she be able to succeed in assisting Herr Hitler to victory, she would be cutting her own throat. The ambitions of the German leader with regard to eastern Europe have not been abandoned. For the time being they have been thrust into abeyance, and so long as the alleged desire for *lebensraum* persists so must also the ultimate threat to European Russia. It follows that a victorious Germany would be the worst possible thing for the Soviet; it would mean the resumption of all former policies regarding the Ukraine and the *drang nach Osten* and merely bring nearer the day when German and Russian policies must clash with the inevitable conflagration. In the circumstances the withdrawal of diplomatic recognition from the Soviet need not tend to any worsening of a situation which is already bad enough, but may in the long run improve it. On the other hand it is to be welcomed as one of those gestures which are so necessary in the present state of the world.

GEN. ABE RESIGNS

Jan. 15.

What was regarded on Saturday night as inevitable actually occurred yesterday morning, when General Nobuyuki Abe, after consultation with his colleagues, submitted the resignations of the Cabinet to the Throne, receiving the Royal command to continue in office until his successor had formed a Government. It was not expected when General Abe accepted office at the end of August that his Government would be anything more than a makeshift. The new ministry was then regarded as "flat and lacking in vitality," despite the fact that General S. Hata's acceptance of the position of Minister for War added some strength to General Abe's Cabinet, which was later reinforced by the appointment of Admiral Nomura to the Foreign Ministry. During the four-and-a-half months in which he held office, General Abe sought to bring about an improvement in Japan's foreign relations, following the reverse which the Cabinet of his predecessor, Baron Hiranuma, had received when Germany betrayed the Anti-Komintern bloc by signing a non-aggression pact with the Soviet. The appointment of Admiral Nomura to the Foreign Office was a definite step in the direction of improving relations between Japan and the United States, and the fact that up to the present no very great improvement has been effected, is by no means due to any fault of the Abe Cabinet, but rather to the legacy which preceding ministries had left him. In this connection it may be pointed out that General Abe's downfall is not to be attributed to any radical modification of Japan's foreign policy, for apart from endeavouring to create a better atmosphere in which to deal with neutral Powers interested in China, he pursued the same policy vis-à-vis of the China Incident as had been adopted as far back as Prince Konnoye's ministry. When it was divulged that a large number of Diet members called upon General Abe to resign, threatening to propose a vote of non-confidence in the Diet should he insist on remaining in office, it was at first thought that General Abe would be able to control the situation.

It was indeed hoped in some quarters that that would prove to be the case, but once he had been advised by his own War Minister that it would be advisable for him to relinquish office, it became clear that an important section of the Army was behind the recalcitrant members of the Diet, and the fate of General Abe's administration was sealed. Despite the difficulties which it was apparent were ahead of him, General Abe went straight to the task of endeavouring to solve as many of the outstanding problems with which Japan was confronted as quickly as possible. On September 12, the headquarters of the Japanese Expeditionary Forces in China was announced. Three days later, following months of fighting on the Manchoukuo-Outer Mongolian border Soviet-Japanese hostilities were terminated by a truce. October saw the attention of the Japanese Government being drawn to the strained relations between itself and Washington, and though Admiral Nomura strove manfully to bring about a readjustment between the two countries, especially in face of the impending expiration of the American-Japanese Treaty of Commerce and Navigation, including the announcement of the Japanese intention to reopen the Yangtze to international navigation up to Nanking, all efforts to bring about agreement concerning a new treaty, or at least a *modus vivendi*, have failed. There is now very little prospect of the latter now being reached before the date of the expiry of the Treaty, namely January 26. Nevertheless, it is not the failure of General Abe's foreign policy which has led to the present situation, thought it is reported that one of the criticisms levelled against him was his "fawning diplomacy" towards the United States. The real cause is more likely to be found in the internal problems which have arisen, and some doubt as to the ability of his Cabinet to solve them. Since his assumption of office difficulties, which his predecessors escaped, have arisen. The outbreak of the European war caused the Government to take drastic steps imposing control over stock market transactions, while storage charges, rents, salaries, wages, insurance rates and processing charges were frozen in order to prevent war boom inflation.

In addition to these severe tests to which the country was being subjected, drought in Korea and Japan led to a poor rice crop, and shortage of water for industrial and power concerns, increasing the demand for coal, and reducing the amount of that fuel available for household use. Restriction of the use of rice for brewing purposes followed, and over and above all this the nation faced the prospect of another huge budget for the coming financial year. It is consequently understandable why so many feared that General Abe, who had no previous experience as Prime Minister, should come to be regarded as not quite the man to lead the nation through its present difficulties. The seriousness of the situation may best be observed in the very definite reluctance of the likely men to succeed to the tasks which General Abe has been obliged to relinquish. It is quite clear that whoever does succeed to the premiership will be faced with the heavy responsibility of having to make very grave decisions, and the next Prime Minister of Japan will have to be a strong man in himself, and command the widest possible support from all parties, civilian as well as the services. The developments of the next few days will be watched with anxiety as well as interest. It is to be assumed that whoever takes office will adhere to policies already decided upon with regard to China, but it will also be hoped that the policy which General Abe was following of endeavouring to improve relations between Japan and the third-party Powers with interests and rights in this country will be adhered to. It would indeed be a thousand pities if the good work which has been done during recent months were undone by any reversal of policy in this particular respect. The formation of a strong Cabinet capable of solving the problems with which Japan is beset, is of paramount importance, and, if the next Premier succeeds in bringing about unanimous support for himself and his ministry, there appears to be no reason why the future should not bear as much promise of all-round-betterment, as General Abe's sought to effect.

THREAT TO LOWLANDS

Jan. 16.

When the German threat against Holland subsided last November troops massed along the frontier were kept in their places, so that at any moment it has been possible to launch an attack upon the Lowlands. It is possible that the movement was arrested two months ago when it was realized that Belgium would go to the assistance of Holland if the latter were attacked, and at any rate for the time being the German plan to attack Holland, for the purpose of establishing air bases closer to Great Britain than any which Germany has at present, was abandoned. Within the last few days fresh tension has been created. There has been the usual bitter campaign against Holland and Belgium in the German Press, the further massing of troops along the border and, finally, the issuance by the German high command of a communiqué alleging that the Netherlands had violated German territory when one of their aeroplanes flew over Nordhorn on Saturday. That allegation has been promptly denied by the Hague, and that denial will be accepted by everyone except the Germans. Nordhorn is about five miles from the Holland-German border and even if there had been a violation of territory it would have been an extremely insignificant one compared with the frequent gross violations of Netherlands' integrity of which German aeroplanes have been guilty. The technique which is apparently being adopted is precisely the same as that followed when the various rapes of Germany's smaller neighbours were contemplated, and it is only natural that considerable anxiety should be aroused in the Lowlands, and that both countries should be taking the greatest precautions against an attack which it is feared might occur at any moment. The Allies also are tightening up their precautions, and leave for the British Expeditionary Force has, for the time being, been cancelled. There are also rumours to the effect that German troops are gathering near the Swiss border. This is denied by the Swiss authorities, who do not appear to have made any further dispositions than to continue manning their borders as they have done since the outbreak of war.

There is one aspect of the whole matter of which sight must not be lost. Movements such as these may only form part of Herr Hitler's war of nerves, for the purpose of making these two threatened neutral countries more amenable to his wishes, and it may still prove to be the case that, after a period of tension, quiet will again be restored on this front, again to be disturbed directly the Reich considers the time opportune. On the other hand the German high command may mean business, for not only is the acquisition of air bases nearer to Britain and submarine bases closer to the Channel desirable, but the only comparatively inexpensive means of forcing the Maginot Line is by a turning movement either through Holland and Belgium, or through Switzerland. It is conceded by experts of all sides that frontal attacks on either the Maginot or Siegfried Lines would be so costly that the attackers, even if they gained their objective, would have paid such a heavy price as might very well ultimately bring about their defeat. For that reason both sides have up to the present been willing to hold their hands, and as the Allies will never violate the neutrality of the two countries most closely concerned, the initiative is left in the hands of a nation which had no scruples about the invasion of Belgium in 1914, and most certainly has none today. The question is, will Germany take it? There are many good reasons for supposing that sooner or later, and most probably sooner, she will. This present war is by no means to Herr Hitler's liking. The position of the man, and his own impetuosity demand action, and successful action at that, in order to maintain the confidence of his people, for they are suffering under an enormous and ever growing burden, with little or nothing up to the present in the nature of even a promise of ultimate success. The psychology of the situation suggests that Herr Hitler realizes the necessity of seeking an early termination of this war, and it is for that reason that an attack upon the Lowlands is to be expected, as possibly the best means of giving it to him.

Counsels of prudence might suggest the inadvisability of the Reich adding to the list of its enemies, but it is quite apparent that the desperation of its case weighs against that very important consideration. The steady pressure of the economic blockade may not yet be felt by the German masses, but the fact that over one million tons of supplies have been seized by the Allies, and untold millions prevented from being shipped to Germany must mean in the long run that the burden will be felt, and it is only by a short, sharp, successful campaign that it can be averted. Belgium showed in the last war that she could offer the stout resistance of a proud nation. The history of Holland has shown that its people are equally brave, and efficient fighters, and there is every reason for assuming that the German military machine will be very completely extended before it secures the advantages which it is thought it would obtain from an invasion of the Lowlands. It is by no means

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AROUND THE WORLD

Practical U.S. Sympathy

One of the most gratifying pieces of news to be found in British newspapers which recently came to hand is the story of how people in the United States have started a nationwide campaign to help the sick and wounded in Great Britain and France. Rich business men and film stars are pooling their dollars, farmers in the middle west are whipping up support, women in the small towns are making bandages, knitting comforts and providing garments for the wounded, while two separate organizations have been formed in Washington to operate the scheme, one for Great Britain, and the other for France. A group working in Hollywood under Ronald Colman and Claudette Colbert have as their immediate objective the raising of £100,000 to be converted into goods for shipment to military and civilian hospitals, while if Britain were attacked the organization would at once expand its activities to relieve distress and suffering. American doctors and nurses would be sent over to help care for the injured. In France a large part of the supplies will go to the American hospital in Paris, which in the last war treated no fewer than 120,000 cases. Immediately the present war began, its accommodation was enlarged to provide for 500 beds. Supplementing it will be a base hospital with 1,500 beds. It is reported that the scheme was first mooted by Mr. Bullitt, U.S. Ambassador to France, and his suggestion has been taken up with typical American enthusiasm. It is news such as this which is particularly gratifying as demonstrating the very practical sympathy which prevails in the United States for the cause for which the Allies are fighting. It will be remembered that during the last war the people of the United States were just as ready to extend help to stricken Europe, and that very substantial relief was extended to Germany herself after the conclusion of the hostilities under the control of Mr. Hoover, and the readiness of the American public to respond to the call of the suffering is again being shown in a manner with which the world is becoming increasingly familiar.

A Good Move

The unification of the British air force in France under one command is the latest development which has been announced, and one which will be heartily welcomed. The officer commanding-in-chief will be responsible, in consultation with the army commanders-in-chief concerned, for ensuring the complete effective support by the British air forces of the British Expeditionary Force and the French Armies on the western front. He will also be responsible for coordinating the operations of the British and French air forces. Involving no change in the principles governing the relationship between the army and air force, this new departure should ensure all round efficiency and make it certain that the best results shall be obtained by the allied forces in the air. The uniting of the various allied arms into one compact unit for the purpose of carrying on the war, and placing each arm under a single command is a wise move, for it gives to the Allies just that same unity of control as that which is vested in the German high command. With the enormous accession of strength which is being made almost daily to the allied air forces it is believed that parity with the German air strength has been gained and passed. There is all the evidence in the world to show that the British and French machines are in every way as good as, if not better than, the German, while in certain classes the former have machines which completely outclass the Germans. The rapid development of the air arms, and that mainly through machines of the latest design must mean that sooner or later the Allies will be in a position to make that bid for complete supremacy in the air which is imperatively necessary before movements on land can be initiated with any prospects of success. In this connection, time has undoubtedly been in favour of the Allies, and the fact that they have been making good use of their opportunities is the best possible augury for their success when all that has been done of recent years is put to the test of war.

Beauty Treatment

It is announced that the mud of Southend-on-sea at the mouth of the Thames, known for over a century for its health-giving properties, and later as a beauty treatment is going to be used for the purpose of defeating Herr Hitler. Not along the lines of throwing the stuff at him or the Germans, for the pleasant little occupation of mud-slinging is best left to the enemy who appear to delight in it, but it has been announced that chemists have found that from this mud and the seawater they can extract one of the most vital metal elements in armament construction. Those familiar with the Thames' estuary will remember that large stretch of mud exposed at low tide from Shoeburyness all the way to Canvey Island, and at Southend-on-sea anything up to a mile wide. It is not stated what particular element that huge deposit is rich in, but it is apparent that vast quantities of the mud are available to be had simply for the dredging. Well over a century ago Royalty visited the town for the purpose of reaping benefit from the ozone which it was said emanated from the vast expanse of slimy black mud. Ailing children have gone there to paddle out on it and recover from the ills that afflict them, and of recent years it has been stated that beauty specialists have been treating their clients with packs made from the alluvial deposit of old Father Thames, which only goes to show that women in search of beauty will stop at nothing. Southend mud has an odorous quality entirely its own which only goes to show that none but the brave deserve to be fair. It is something of an irony that a cosmetic for milady's boudoir should now be mobilized for the grim arbitrament of war, and yet on the other hand so completely appropriate, if what is going on in Europe is regarded as something in the nature of a beauty treatment, removing from the German complexion that blotch which is the Hitlerian system.

BY SAPAJOU

Technical Help Wanted

Mercy or Judgment

Amongst those who foresaw the development of flying was the poet Cowper who as long ago as 1783 discussed the possibility and speculated as to how the discovery of the art of flying would ultimately come to be regarded:—

'Should the point be carried, and man at last become as familiar with the air as he has long been with the ocean, will it in its consequences prove a mercy, or a judgement? I think, a judgement. First, because if a power to convey himself from place to place, like a bird, would have been good for him, his Maker would have formed him with such a capacity. But he has been a groveller upon the earth for six thousand years, and now at last, when the close of this present state of things approaches, begins to exalt himself above it. So much the worse for him. Like a truant schoolboy, he breaks his bounds, and will have reason to repent of his presumption. Secondly, I think it will prove a judgement, because with the exercise of very little foresight, it is easy to prognosticate a thousand evils which the project must necessarily bring after it; amounting at last to the confusion of all order, the annihilation of all authority, with dangers both to property and person, and impunity to the offenders. Were I an absolute legislator, I would therefore make it death for a man to be convicted of flying, the moment he could be caught; and to bring him down from his latitudes by a bullet sent through his head or his carriage, should be no murder. Philosophers would call me a Vandal; the scholar would say that, had it not been for me, the fable of Dædalus would have been realized; and historians would load my memory with reproaches of phlegm, and stupidity, and oppression; but in the meantime the world would go on quietly, and if it enjoyed less liberty, would at least be more secure.'

And now mankind asks whether after all it is not a judgment instead of the mercy Cowper suggested it might just as well be. There are undoubtedly those who are impressed by the swiftness with which mankind can travel all over the globe since aviation first commenced, and will seek to show that the convenience which the aeroplane has proved to be more than justifies its existence. But there is that evil genius of mankind which quickly recognized the aeroplane as a most potent weapon for doing harm, and more energy has been devoted to making the machine an efficient weapon of warfare than to any other recent discovery. As a pursuit of peacetime aviation has much to be said for it, but in war it has become a horrible weapon though fortunately not quite so destructive as it was at first feared it might be.

Australia is There

The arrival of a unit of the Royal Australian Air Force in France has been revealed on the occasion of Mr Anthony Eden, Secretary of State for the Dominions, visiting it at its station. The vast scheme for the production of an imperial air force is already getting under way, and in a comparatively short while large bodies of Colonial young men will commence training in earnest for the largest air force that has ever been contemplated. From Australia it is reported that thousands of recruits are being sought to fill Australia's part in this huge scheme. Some 26,000 flying men are to be trained, with thousands of technicians for the ground staffs, while no fewer than 2,000 machines will be required for the training. Thousands of young men will be trained in Canada with the Royal Canadian Air Force, and within a few months there should be a very substantial accretion of strength to the British Air Force which already now represents a very satisfactory war machine, well equipped, and well trained. In the course of a speech of welcome to the Australian unit, Mr. Eden clearly exposed the fate of Europe should the Allies fail in this present war. In this struggle for civilization the outer defences of small nations have been already overrun, and the bulwarks of the greater nations are now being attacked. This is no struggle merely for the present generation, but for its children and its children's children, and it is because of that fact that the Dominions have responded so splendidly to the Empire's call. The manner in which that has been done is the completest possible answer to those whose wishful thinking professed to see signs of the Empire breaking up. The same people saw it in 1914, and they do not now appear to have learned the lesson which was taught the world twenty-five years ago. The manhood of the Empire is marching shoulder to shoulder against the common enemy, determined that there shall be an end to these threats against its continued existence as a vast commonwealth of nations, and, indeed, the manner of their inspiration is the best promise of the tenacity with which they will fight for the victory which is so necessary.

Trapping the Graf Spee

The Admiral Graf Spee, pride of the German Navy, lies rusting in the mud at the bottom of the estuary of the River Plate off Montevideo. The world knows the circumstances of the ignominious end of this fine vessel and the atonement made to naval tradition by its gallant commander, Captain Langsdorf, but what is not known is the long chain of circumstances which led to its discovery and eventual trapping. As one American admiral has already observed, a ship can only be in one place at a time, and this was the experience of the Graf Spee except that by devious navigation and rapid changes of position Captain Langsdorf did his best to deceive the Allied ships searching for him and endeavoured, by all means at his disposal, to disperse as many Allied ships as possible over the Southern Atlantic. It is now known that the Graf Spee left Germany on September 12, and the British Admiralty, with French co-operation, made arrangements to dispose of this danger to Allied shipping. Only five ships of the Allied fleet are faster and better armed than this class of pocket battleship, although nothing greater than three small cruisers was needed to disprove the invincibility of this type of vessel. The existence of an enemy raider was known when the British steamer Clement was sunk on September 30, and in a broadcast to British merchant ships it was said that it was believed the Admiral Von Scheer was at large, although it turned out to be the Graf Spee. The Clement was sunk in South American waters obviously with the idea of attempting to deceive the Allied hunters as to the Graf Spee's position. The commander knew the sinking would be immediately reported so he changed his course and steamed eastward towards the African coast and worked on the trade route to the Cape of Good Hope. Here, the captains and officers were taken prisoner and kept on board the Graf Spee or on an auxiliary working in co-operation and, therefore, news of the ship's position was hidden for some time. The Graf Spee rounded the Cape of Good Hope, did more sinking, then retraced her course, and the scent began to grow hot when she sank another British ship 700 miles east of Rio de Janeiro. Naturally, the question of provision and refuelling the ship from supply vessels or secret bases had not been overlooked in the Admiralty's plans for she had covered 16,000 miles although it was known that her seagoing endurance at economic speed was 10,000 miles at the most. Pressure on other sources gradually eliminated her powers of existence for up to December 2, sixteen German merchantmen had been sunk or scuttled and another 20 captured, and some of these were undoubtedly supply ships operating out of neutral ports. On December 13, the action occurred off Montevideo, when Rear-Admiral Sir Henry Harwood, and his officers and men, with incredible daring, attacked the vessel and forced her to shelter in port. What happened to the Graf Spee after she left port is common knowledge, but the bravery and gallant action of Sir Henry Harwood was the climax to a long, exhaustive and painstaking plan of campaign of search, almost assuming the role of naval detection, undertaken by the British and French navies to eliminate this pest.

The Munich Bombing

The Berlin correspondent of the "Handelsblad," according to a message from Amsterdam, reports that the Gestapo, under Herr Heinrich Himmler, is preparing a report based on "sensational revelations" alleged to have been made by Captain Stevens, and Mr. Best, the two Englishmen kidnapped by the Gestapo at Venlo on the Netherlands-German frontier on November 9. The report, it is said, is designed as a reply to the Holland Government's démarche to Berlin on the subject of the kidnapping. It does not matter what the contents of this document are, for they cannot justify a breach of Netherlands' territory, which course, is what the démarche deals with. Of the many theories put forward to account for the Munich bombing the most interesting appears in the December number of the American monthly "The New Age," which probably explains a great deal more than was at first apparent:—

Before he (Herr Himmler) came into office he was an innocuous yearner, but, it seems to us, he has developed into a full-fledged climber. In short, all our information seems to indicate that Herr Himmler is at odds with two conditions, first that he is not ruler of Germany and second that Goering, and not he, is the crown prince.

On the other hand, Herr Himmler has a well-developed sense of order. Anarchy or chaos offend him, even as philosophic concepts. So he goes about his appointed task of keeping order. Certain irregularities are winked at, however. His agents could not have been completely unaware of the Munich plot. Subsequent investigations have proved that it was carefully conceived, skilfully and professionally executed, and that it required the plotting (to say nothing of the actual work) of many individuals. It appears they must have been drawn from a variety of crafts and sciences. Such individuals are not floating unnoticed on the Spree.

Herr Himmler has much to gain from his peculiar course of allowing certain plots to flourish. If the plot fails, his department apprehends and punishes the culprits or suspects, and as this is now done without benefit of trial there can be no breath of scandal to touch his hem. If and when one plot succeeds, however, as it must sooner or later, Herr Himmler will be standing by, with his Gestapo ready, to seize the fruits of victory.

The suggestion that, after all, Herr Himmler knew about the plot, permitted it to be perpetrated, ready to arrest the offenders if they failed, or to take any advantage of their success to further his own interests, is an interesting one. It is not without the bounds of probability, and Field Marshal Goering's seclusion before Christmas may very well have meant that he was going to run no risks of being eliminated as the Nazi crown prince.

More Terrorism

The latest telegrams report another outbreak of terror tactics by the German air arm against fishing smacks and other peaceful vessels in the North Sea. One particularly dastardly case was the aeroplane attack on a Trinity House vessel, unusually full because it was on relief work. The German plane bombed the vessel, and then, as the men raced to the life boats, swooped down and machine-gunned them until the boats were riddled, and injured lay all over the deck. The Germans have done so much of this sort of thing since the commencement of the war, dealing out death to innocent civilians, men, women, and children, that it has more or less come to be taken for granted that they will continue to do so. That, however, for the most part has been done either by the submarine or the mine. That German aviators should indulge in the same sort of tactics need not be astonishing, even though it is a direct negation of the spirit of chivalry which the airmen of all nations are supposed to cherish. The men attacked were seeking the safety of their lifeboats when they were subjected to this fusillade. It has always been the practice that crews of vessels which are being sunk should be allowed to reach safety in their lifeboats, and even U-boat commanders have been known to adopt the practice. For German aviators to sink the ships and endeavour to wipe out the crews is a particularly heinous offence, and affords but another example of the complete abandonment of the ordinary canons of wartime decency. It is not to be believed for one moment that tactics such as these will deter the intrepid men manning the British fishing fleet and the like from carrying out their duty in the face of such behaviour. Such attacks are, therefore, as futile as they are reprehensible, and all that men guilty of such behaviour succeed in doing is merely further to besmirch the German escutcheon which already has been more than a little soiled by similar behaviour.

Threat to Lowlands

(Continued from page 82)

certain that, should the Germans succeed in over-running Holland and Belgium, they would be any closer to victory, for it does not mean that the Maginot line would even then be turned. The experience around Verdun during the last war showed that despite every effort made by the Germans that fortress could not be reduced, thus ensuring the stability of the French lines from Verdun down to the Swiss frontier. There is no reason to believe that the Germans would be any more successful if they attempted the same thing now. Of one thing there is complete certainty. The Allies are in a better position to meet this possible threat now, than ever they were in 1914, stronger in numbers, better equipped and already on the field. That, however, will never do away with the fact that, if Herr Hitler does indeed attack his two smaller neighbours, he will still further plunge his country into the obloquy in which it already welters. That will probably mean nothing to him, but if it brings about his early defeat, and there are plenty of reasons for believing that will prove to be the case, he will have increased his country's ignominy without any profit, but only considerable loss.

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NEWS FROM THE INTERIOR

Fighting Around Nanning

Severe Fighting Continues in South China ; All Communications with City Held by Japanese

Chungking, Jan. 11.

INTEREST in the Sino-Japanese fighting, according to Chinese quarters here, continues to be centred in South China, where operations are expected to be renewed in the future. Reasons for expecting a resumption of fighting in this area, they state, are as follows:—

1. Chinese forces are on the point of intensifying their attack on the Nanning area; and,

2. It is reported that Mr. Wang Ching-wei is planning a "puppet" régime in Canton.

Chinese field despatches reaching here from the Nanning front state that Chinese forces are preparing to renew their attack north-east of Nanning.

It is stated that communications between Nanning and Kunlunkwan, which were cut by the Chinese troops late in December and later restored by the Japanese, were again cut by Chinese forces. After a vigorous attack, Chinese forces are reported to have captured Wutang and Tsitang, points situated about 17 and 23 miles north-east of Nanning respectively.

Chinese Positions Bombed

Meanwhile, Japanese aircraft are subjecting Chinese positions in cities in south Kwangsi to intense aerial bombing, according to Chinese report. Kweilin, the capital of Kwangsi, is said to have spent the entire day yesterday in a state of air raid alarms. No details have yet been received concerning the extent of damage done by bombs.

Japanese are also said to be pouring reinforcements into the Nanning area. The Japanese are reported to have completed the construction of a harbour at Lungmen near Yamchow, where it is stated troops were landed on December 15 for a drive towards Nanning. With the completion of the harbour, Chinese quarters expect that the Japanese will commence landing reinforcements and equipment on a large scale. The arrival of Japanese reinforcements is stated to have already been observed at points north of Nanning.—Reuter.

Communications Controlled

Canton, Jan. 11.

Japanese forces were in "absolute control" of the highway leading from Nanning to the sea, Japanese military authorities declared here today, denying recurrent Chinese claims that the Japanese troops in southern Kwangsi had been isolated.

Japanese forces, the Japanese officers said, were gradually pushing back mixed troops of the Chinese 131st and 188th Divisions from the heights south-west of Wutsunhu, 20 kilometres southwest of Nanning. An attack against these Chinese positions was launched on Monday, they stated.

In a surprise attack, also on Monday, Japanese troops patrolling the highway between Yamchow in Kwangtung and Nanning had put to flight 1,000 Chinese troops sighted in the neighbourhood of Chunglung, 36 kilometres south of Nanning, they added.

A reward of $500,000 has been offered by Gen. Pai Chung-hsi, Kwangsi warlord, to the Kwangtung and Kwangsi troops succeeding in "wiping out" the Japanese forces from the Yamchow-Nanning area, the Hongkong "South China Morning Post" reported last Thursday. A similar report appeared in the Kweilin "Hua Chiao Jih Pao" on Wednesday.—Domei.

Sector Calm

Shanghai, Jan. 13.

With the exception of an "easily repulsed" attack by 150 Chinese at dawn on January 10, the Nanning sector was calm, a Japanese army spokesman announced here yesterday.

North-east of Nanning Japanese troops were advancing on Lientong after dislodging Chinese troops from Tangpao, four kilometres northwest of Kowtang, the spokesman said.

Chinese Advance

Chungking, Jan. 12.

An advance towards Canton by Chinese forces in Kwangtung province is reported in a Chinese dispatch received here.

It claims that Chinese troops crossed the North River on January 10 at two points and at present are advancing along the railway towards Sinkai, north of Canton.

The report also claims that a Chinese column is moving towards the south, to the west of the Canton-Hankow railway. Another Chinese column, reported to be east of the railway, is said to have engaged Japanese troops yesterday morning in the vicinity of Tsunghua.

Chinese forces in north Kiangsi province are attacking the Kiukiang-Nanchang railway between Kiukiang and Tehan, according to Chinese reports reaching here.

It is claimed that beginning on the night of January 9, Chinese troops in several columns attacked various points on the railway north of Tehan.

After two days of fighting, the Chinese claim they captured Mahuiling, a strategic point on the railway between Tehan and Kiukiang, yesterday morning.

After destroying a section of the railway in the vicinity, Chinese troops are said to have separated into two columns. One is reported to have pushed to the north in the direction of Kiukiang and Sintze, while the second is said to have pushed to the south to converge on Tehan.—Reuter.

Many Planes Destroyed

Tokyo, Jan. 12.

Fifty Chinese planes were destroyed during the past three weeks ending on Wednesday in Kwangsi province by Japanese naval air forces, according to a field dispatch reaching here today.

Three planes were shot down above Liuchow in central Kwangsi on December 22; two shot down above Kweilin, capital of the province, on December 27; 22 shot down above Liuchow on December 30; 14 shot down above Kweilin and nine others on the ground destroyed on Wednesday, the dispatch said.

These air attacks, the dispatch said, had greatly hampered efforts of the Chinese to reorganize their air force.—Domei.

Japanese Commander Killed

Nanking, Jan. 12.

Lieut.-Colonel Masuo Miura, commander of the Japanese garrison at Luchow, was killed on January 4, while commanding mopping-up operations on Mt. Tashu in central Anhwei province, it was announced today. Lieut.-Colonel Miura was born in Kagoshima Prefecture.

The detachment he was commanding, nevertheless, succeeded in capturing the objective on Mt. Tashu. Japanese forces had learned that the Chinese 138th Division, 6th and 13th Guerilla units and the 6th Peace Preservation Corps were planning to attempt to recapture Luchow, using Mt. Tashu as their base of operations.

Two other Japanese units on Sunday attacked Leimatien, an important Chinese base, and routed Chinese stragglers.—Domei.

Battle in Shansi

Chungking, Jan. 10.

Heavy fighting is reported to be still in progress in the south of Shansi province.

After a Chinese attack on Japanese forces, concentrated in the vicinity of Hsianhsien, Japanese troops at Changtze and Yichen began to launch attacks on Chinese positions in an effort to relieve the pressure of Chinese attacks.

A Chinese field despatch from the Anhwei front claims that on the morning of January 2, Chinese forces entered the east gate of Anking, capital of Anhwei.

The Japanese garrison then engaged the Chinese detachment, it is stated, while Japanese warships in the Yangtze lying off Anking heavily shelled the Chinese positions.

After a brief period of street fighting, it is reported, the Chinese troops withdrew.—Reuter.

Stragglers Crushed

Taiyuan, Jan. 13.

A Japanese detachment crushed about 400 Chinese stragglers in the vicinity of Yenkiachwang, 10 kilometres north-east of Tsinhsien in southern Shansi province on Wednesday, according to reports reaching here today.—Domei.

GENERAL Chiang Kai-shek has approved of the organization of an Overseas Chinese Comfort Corps proposed by Mr. Tan Kah-kee, Chairman of the China Relief Association in Singapore, says a Chungking report to the "National Herald." The comfort corps will leave Singapore in March on an inspection tour of the war areas with a view to studying China's war requirements and devising measures to meet them, the report states.

Japanese Attack Honan, Hupeh, Hunan Fronts

Hankow, Jan. 11.

Capture of Shihchengtzu, a Chinese base south-west of Sinyang on Tuesday night by three Japanese detachments was announced today.

The capture followed the routing of the 82nd and 88th Divisions of Chinese forces in the mountains west of Sinyang.

Pursuing retreating Chinese troops, the three Japanese detachments were reported to have reached a point six kilometres west of Shihchengtzu at dawn yesterday.

Three other Japanese ground units which defeated troops of the 19th, 133rd and 134 Divisions in the vicinity of Changkiashan, three kilometres south of Sinyang, began pursuing fleeing Chinese soldiers westward yesterday.

From January 4 to January 7 in fighting south and southwest of Sinyang in Honan province, Chinese forces have lost at least 1,100 men, including four officers. Japanese forces found this number dead on battlefields.—Domei.

Japanese Attack

Hankow, Jan. 13.

Furious attacks have been launched by Japanese forces on three fronts since the beginning of the new year, military reports from Honan, Hupeh and Hunan fronts indicated today.

A large Chinese base on Chichang Mountain, 20 kilometres south of Tsungyang, was captured on Wednesday by four Japanese detachments routing the enemy in the mountains on the Hupeh-Hunan border, south of Tsungyang. The following day the detachments advanced towards the south from the Chichang Mountains.

In fighting in this area Chinese forces have 612 men, including two officers, this number being found dead by Japanese forces on battlefields.

Six divisions of Chinese troops under Gen. Liu Ju-ming, Gen. Sun Lien-chung and Gen. Tang En-po were routed by two Japanese detachments in the area north of Sinyang on the Peiping-Hankow Railway. The Japanese attacks started on January 5 and the enemy routed three days later. Chinese forces left more than 1,200 troops dead on the fields of battle.

Japanese operations against Chinese troop concentrations in the mountainous regions in the Tahung Range on the north side of the Hankow-Ichang highway and north of Anlu were reported today to have been concluded when the Chinese forces were crushed. The Chinese forces retreated leaving 648 dead, including six officers, behind. Five light and three heavy machine guns and 152 rifles were captured.—Domei.

Fighting In Hupeh

Hankow, Jan. 14.

Furious fighting raged yesterday in southern Hupeh as four Japanese detachments extended their lines in an effort to entrap several divisions of Central and Szechuen Armies along a tributary of the Lu River between Tsungyang and Tungcheng, according to dispatches from field headquarters received here last night.

On Friday, the Japanese penetrated the centre of strong Chinese positions on the heights of Shengjenshan, 24 kilometres southwest of Tsungyang. At dawn the next day, the Japanese forces pushed rapidly southwestward in hot pursuit of the retreating Chinese.

Three other Nipponese columns which crossed the Lu River on January 11 at places south of Tsungyang were co-operating in the pursuit movement. They attacked Chinese positions at Shengjenshan from the rear and continued to advance toward the Hupeh-Hunan border.

Results of fighting on January 12 and 13 were summed up as follows: Chinese dead left on battlefields 103; booty taken by Japanese, 19 light machine guns, 32 rifles, 30,000 rounds of rifle ammunition, 1,500 hand grenades. Five other Japanese units were pressing the Chinese along the Lu River in the area southwest of Tashaping, 32 kilometres south of Tsungyang.—Domei.

840 Engagements Near Hankow

Hankow, Jan. 11.

Following 840 engagements during December, Chinese troops facing the Japanese defence perimeter of the Wuhan triple city area abandoned 30,150 dead, Japanese military authorities here claimed today.

The exceptionally high number of engagements and Chinese fatalities was attributed to the successful Japanese counter-attacks against the Chinese "winter offensive" tactics.

Out of the 521 prisoners taken during December, only about 20 per cent. know the names of their commanding officers, while both prisoners and Chinese dead were found to have carried only 30 rounds of rifle ammunition, one-third of the usual issue to Chinese troops, Japanese officers stated.—Domei.

Japanese Heavily Bomb Chinese

Communications Along Yunnan Railway Said to Have Been Badly Damaged ; Raiders Over Suiyuan

Shanghai, Jan. 10.

JAPANESE naval airplanes inflicted heavy losses on troop concentrations and damaged barracks, military trucks and other objectives on January 7 and 8 at Kunlunkwan, Sulungssu, Chiutang, Patang, Tangpachsu and Chuhsu, south-west of Pinyan in Kwangsi, the headquarters of the Japanese China Sea Fleet announced in a communique released yesterday afternoon.

The naval air force co-operated with infantry in the vicinity of Pinyang. Weathering severe anti-aircraft fire one squadron of naval planes raided Tsienkiang in central Kwangsi on January 8. Positions and bases, including several large buildings, were razed, the statement said.

In Central China warships on the Yangtze bombarded Chinese troops and positions at Fengshoupu, near Tienkiachen; Hsiayupan, south-east of Hsiangkowchen; and Pailuki, in eastern Hupeh.

Naval aircraft operating in North China on January 7, raided Aoshankai and the eastern coast of Tsimoshien in Shantung, damaging military establishments, the announcement concluded.

Communications Disrupted

Hongkong, Jan. 9.

Incessant bombings of strategic points in Central and South China by Japanese army and navy aeroplanes seriously disrupted movements of munitions to the Chinese front lines, reports from Chungking today claimed.

The supply department of the National Military Council was said to be planning urgent measures to meet the situation. One of the principal matters discussed at the recent session of the council, the reports said, was ways and means to protect and improve supply lines as well as to adjust transportation of munitions to front-line troops.

Destruction of important sections of the Yunnan Railway in daily raids forced suspension of service, and despite desperate efforts being made by the Chinese to rush repairs it could not be foreseen when trains would run on effective schedules, according to the reports.

Importation of materials for Chungking by way of Indo-China was said to have been halted. Chungking authorities, the reports claimed, requested the French Ambassador, M. Henri Cosme, to protest to Japan against bombing of the Yunnan-Indo-China Railway.—Domei.

Border Towns Attacked

Kunming, Jan. 9.

Thirty-nine Japanese aeroplanes, according to Chinese reports, yesterday bombed Laofantchai and Lahati, situated about 40 and 70 kilometres respectively from the French Indo-China border. The extent of damage is not known.—Reuter.

Honan Cities Bombed

A Japanese Army Air Base, Jan. 9.

Giving a finishing touch to the Japanese counter-attack against the so-called Chinese "winter offensive," Japanese army planes bombed large concentrations of Chinese troops at Hwashan and Sintien, 50 kilometres south-west of Singyang, in Honan province yesterday.

Another Japanese army air unit co-operated with land forces in the Luchow district in central Anhwei province on Sunday and Monday, attacking Chinese troops in the vicinity of Luan.—Domei.

Raiders Over Suiyuan

A Japanese Army Air Base in North China, Jan. 9.

Ranging far over the desert of north-western Suiyuan in a cold north wind, two large squadrons of Japanese army aircraft carried out a surprise raid yesterday afternoon on the headquarters base of Gen. Fu Tso-yi at Wuyuan.

All the military establishments there were subjected to heavy bombardment and demolished. All the planes returned unscathed.—Domei.

Troops Machine-gunned

Tsingtao, Jan. 10.

Chinese troops with bases at Chiaohsien, Liangsiang, Sinchwang and Peislang in eastern Shantung province were machine-gunned during a series of raids on Monday by Japanese planes, the Japanese Naval Officers' Offices here announced today. The planes co-operated with ground forces engaged in mopping-up operations in making the attacks. All planes returned to their base safely, the announcement stated.—Domei.

Japanese Claim Air Victory

Shanghai, Jan. 12.

In a renewed effort to wipe the Chinese air force from the skies of Kwangsi province, Japanese naval aircraft on January 10 dealt a heavy blow against Chinese aircraft concentrated at Kweilin when 23 Soviet-built machines were destroyed during a violent fight and subsequent bombing, the Japanese China Seas Fleet stated in a communique issued here yesterday.

All Japanese craft engaged in the operation returned to their base safely, the communique claimed.

In the aerial battle on Wednesday, the Japanese air armada was met by 40 Soviet-built Chinese combat 'planes of the 1-14, 1-15, and 1-16 types above Kweilin at about 2 o'clock in the afternoon.

In the violent fight that ensued, 14 Chinese machines were seen crashing, the communique stated.

Continuing toward their objective, the Japanese raiders unloaded their cargo of heavy bombs upon the aerodrome, the announcement continued. Nine Chinese aeroplanes which were landing after having participated in the combat, were hit and burst into flames. Five additional fires were caused in the centre of the airfield by the exploding bombs, the communique added.

Pinyang Area Bombed

Shanghai, Jan. 13.

Attacking the area around Pinyang, important supply base of the Chinese army in central Kwangsi, Japanese naval aircraft inflicted heavy damage on positions and barracks on Jan. 9, the headquarters of the China Sea Fleet announced in a communiqué released on January 11.

Other naval planes repeatedly bombed troop concentrations and positions at Kiutang, south of Pinyang, causing severe losses, the statement said.

With the co-operation of naval bombers, a naval landing party on Hainan Island on January 7 made a surprise attack on 300 Chinese troops building position north of Tanhsien, and routed them, the communiqué continued. The Chinese lost eight dead. Japanese casualties were two killed and four seriously wounded.

On a scouting and bombing expedition over the southern coast of the island on January 9 naval planes spotted Chinese positions at Chiashe, north-east of Lingshui, and demolished them with a heavy bombardment, the communiqué concluded.

Bridge Destroyed

Shanghai, Jan. 13.

Traffic on the Yunnan Railway, French line extending from Indo-China to Kunming in Yunnan, was interrupted on January 7 when direct hits were scored by Japanese naval bombers on a high trestle bridge at a point between Mengtze, Yunnan, and the Indo-China border, authoritative reports reaching non-Japanese consular sources in Shanghai disclosed yesterday.

The damage inflicted, the information received here stated, would require from three weeks to three months to repair, depending upon whether or not the material required for such replacements is available or has to be procured.

Sino-Japanese Air Conflicts

Chungking, Jan. 14.

The probability that aerial engagements are taking place in Kwangsi between the air forces of China and Japan is inferred in special issues of Chinese newspapers this mornign.

It is revealed that a "comfort" delegation will leave Chungking shortly to present gifts to units of the Chinese air force which are "winning repeated victories in the air."

The delegation, it is stated, will be headed by Mr. Chang Chi, the statesman who is alleged to have saved the life of Mr. Wang Ching-wei when he was nearly assassinated in Nanking in 1935.

The delegation will also include General Lu Chao, attached to the Military Affairs office of the National Government, Mr. Ma Chao-chun, former Mayor of Nanking, and Mr. Kuo Mo-jo, famous Chinese poet.

No news of actual aerial engagements in Kwangsi has been published in the Chinese press, although it is unofficially claimed that eight Japanese bombers were shot down in a recent engagement above Liuchow.—Reuter.

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Chinese Advancing In Kiangsi

Chungking, Jan. 13.

In northern Kiangsi, Chinese forces approached the western outskirts of Tehan, north of Nanchang, yesterday morning, according to Chinese dispatches received here today. One Chinese detachment is said to be moving westward, in the direction of Hsiushui.

Heavy fighting is reported to be going on in Central Hupeh, where Chinese troops are claimed to be attacking Suihsien and Chienkiang.

Chinese artillery units, the dispatches add, are subjecting the two towns to very severe bombardments, which have started many fires.

Fighting in the Nanning area at present centres on a struggle for the possession of the highway connecting the city with the sea coast, according to Chinese reports.

Communications Attacked

Chinese forces are said to be making a determined effort to cut Japanese lines of communications south of Nanning, while the Japanese are stated to be launching attacks on Chinese units harassing the railway.

Detailed Chinese reports on the fighting in Kwangsi reveal that the loss of Japanese equipment and the number of high Japanese officers killed are considerably greater than in previous battles.

When Chinese troops recaptured Kunlunkwan, a strategic pass north-east of Nanning, on December 20, it is stated, 26 Japanese officers, including one colonel, were killed in the engagement.

In the battle at Chiutang, about 30 miles north-east of the Kwangsi capital, it is further claimed, Chinese forces captured the base of the Japanese mechanized units operating north-east of Nanning, seizing many guns, tanks and machine-guns.—Reuter.

Attack on Paotow Described

Chungking, Jan. 11.

A detailed story of the Chinese attack on Paotow, just received here from Suiyuan, reveals the Chinese offensive aimed at the capture of Paotow for the purpose of frustrating the Japanese attempt to advance further west after the freezing of the Yellow River.

An unusual aspect of the campaign is that due to the lack of communication facilities in the Mongolian plains, the Chinese military headquarters in West Suiyuan learned that Chinese troops were attacking Paotow through the interception of a Japanese military wireless message from Paotow, sent on the morning of December 18, requesting reinforcements.

A letter from Shanpah, in West Suiyuan, dated December 21, states Chinese forces, under the personal command of General Fu Tso-yi, chairman of the Suiyuan Government, started an attack on December 12 in several columns.

Before the Chinese attacked, it is stated, a squadron of Chinese aircraft heavily bombed the Peiping-Suiyuan railway, also Japanese barracks east of Paotow.

While Chinese regular troops delivered the main attack, the letter adds, they were actively supported by guerilla units, who harassed the Japanese from the rear.—Reuter.

Border Commission Sits in Harbin

Tokyo, Jan. 8.

The ninth meeting of the mixed commission of Japanese-Manchoukuoan and Soviet-Outer Mongolian delegates was held at Harbin yesterday when a discussion of the question regarding boundary demarcation on maps was continued, the Foreign Office announced here today.

The next meeting will be held on January 10, at the lodgings of the Soviet-Outer Mongolian delegates.—United Press.

Tokyo, Jan. 12.

Continuing discussions of the demarcation of the border between Outer Mongolia and Manchoukuo, the Border Demarcation Conference held its 10th meeting on Wednesday at Harbin, a spokesman for the Japanese Foreign Office announced today. The next meeting will be held on Saturday.

M. Jamsaron, representing Outer Mongolia, presided at Wednesday's meeting, after which the delegates issued an official communiqué on the meeting, the spokesman said.

Japanese, Soviet Union and Manchoukuo delegates are also attending the conference. Eight meetings were held at Chita before the site of the meeting was changed to Harbin.—Domei.

Kulangsu Isolated by Japanese Again

Amoy, Jan. 9.

Japanese naval authorities today clamped tight restrictions on traffic between Kulangsu and the mainland following the shooting of two officials of the Amoy Special Municipality in the International Settlement last night.

Attacked by several gunmen at about 7.30 o'clock in the vicinity of the Customs Club in Kulangsu, Mr. Hwang Lien-feng, Councillor of the Special Municipality and concurrently President of the Overseas Chinese Association of Amoy, and Mr. Lung Pai-ying, former Fukien representative to the Kuomintang National Congress, were seriously wounded. Mr. Hwang was shot in the abdomen and Mr. Lung in the hip. The former was said to be in a critical condition.

Japanese naval authorities took a serious view of the shooting and immediately ordered strict control over communication between Kulangsu and the mainland in order to prevent the escape of the assailants. The authorities believe the gunmen are memoers of an anti-Japanese organization—Domei.

Search for Gunmen

Amoy, Jan. 10.

Kulangsu police today intensified their search for three Chinese gunmen who shot and wounded two prominent Chinese in a terrorist coup in the International Settlement on Monday night.

A vigorous man-hunt for the three assailants was launched immediately after the shooting was reported to the police. Assisting the Kulangsu Municipal Police were the Japanese Consular Police and the Japanese navy.

Wounded in the attack were Mr. Hwang Lien-seng, Councillor of the Special Municipality of Amoy and concurrently President of the Overseas Chinese Association of Amoy, and Mr. Lung Pai-ying, former Fukien delegate to the Kuomintang National Congress.

Mr. Hwang, who was shot in the abdomen, was reported to be in a serious condition.

The belief that the attack was engineered by Chungking agents was heightened by the disclosure that Mr. Hwang had been successfully engaged in securing investments of overseas Chinese for the economic rehabilitation of Amoy.

A notice was issued yesterday afternoon by Mr. L. H. Hitchock, Chairman of the Kulangsu Municipal Council, that $250 would be awarded to anyone giving information leading to the arrest and conviction of the three Chinese gunmen.

Mr. Hitchcock expressed regret over the attempted assassination and said that Municipal authorities would make every effort to arrest the assailants.—Domei.

Trial

Amoy, Jan. 12.

The trio of gunmen who wounded two prominent Chinese on Monday night should be tried in the Amoy High Court when they are captured, Mr. Wang Tsu-tse, President of the court, urged today.

The Kulangsu Mixed Court, he pointed out, had taken up only minor cases previously.

All crimes, whether minor or major, in the Tientsin Concession for the past score of years, he said, have been transferred from the hands of Concession authorities to the Tientsin District Court. Kulangsu, having similar conditions, should follow the example of that North China city, Mr. Wang said.

"If the Kulangsu authorities act differently," he added, "Kulangsu may become a hot-bed for criminals."

Shot and wounded by the three assailants on Monday night in the International Settlement were Mr. Hwang Lien-feng, Councillor of the Amoy Special Municipality, and Mr. Lung Pai-ying, former Fukien representative to the Kuomintang National Congress.—Domei.

One Victim Dies

Amoy, Jan. 14.

Six days after he was shot by terrorists in the Kulangsu International Settlement, Mr. Hwang Lien-feng, Councillor of the Special Municipality of Amoy and concurrently President of the Overseas Chinese Association of Amoy, succumbed to his wounds this morning at 10.50 o'clock. He was 57 years old.

Also wounded in the same attack was Mr. Lung Pai-ying, former Fukien delegate to the Kuomintang National congress. He is recovering. The shooting occurred in the night of January 8 while the two officials were walking near the Customs Club. Four bullets struck Mr. Hwang.

Despite a vigorous search by police of the International Settlement the slayers have eluded capture. Immediately after the incident Japanese naval authorities tightened restrictions on travel between Kulangsu and the mainland in an effort to prevent the escape of the gunmen.

On January 9 Mr. Goro Uchida, Japanese Consul-General at Amoy, requested Mr. L. H. Hitchcock, Chairman of the Municipal Council, to institute a search for the gunmen. He pointed out that the shooting was another case of anti-Japanese terrorism. Mr. Hitchcock gave assurances that all possible steps were being taken to apprehend the culprits. A reward of $250 was offered for the arrest of the terrorists or information on their whereabouts.—Domei.

Wusih Magistrate Assassinated

Shanghai, Jan. 11.

The "North-China Daily News" authoritatively is informed that Mr. Yang, the Wusih magistrate under the new régime, was shot and killed in the centre of the city about 5 p.m. on Jan. 9. Although medical aid was given after an interval of 20 minutes, he was pronounced dead by doctors on arrival.

Rumours are rife of numerous assassinations in Wusih and Kiangyin and it is indeed true, according to accredited reports, that guerillas are becomingly increasingly active in the occupied areas.

Guerillas Active In Shantung

Tsingao, Jan. 10.

Sudden renewal of guerilla activity in Shantung province is believed to be the reason of a consular notification to British subjects in Tsingtao, asking them to give details of the position of British property throughout the province, particularly in the vicinity of Laiyang, a town between Tsingtao and Chefoo.

The British Consul-General has taken this action at the request of the Japanese Consul-General in view of "warlike operations," which are about to take place. His circular reads.

"The Japanese Consul-General has written to inform me that in view of naval and military operations against bandits in the interior of Shantung, and with a view to steps being taken to prevent loss to Third Power nationals in the course of warlike operations, the Japanese military authorities in Tsingtao wish to be in possession of details of the positions and equipment of property in respect of which British subjects have rights in parts of Shantung where bandits are prevalent, particularly in the neighbourhood of Laiyang. They require particulars of the marks visible from the air in respect of such property, and they wish to have an answer as soon as possible."

The Consul-General's request coincides with a renewed outburst of guerilla activity in Shantung, mainly in the vicinity of Laiyang, Tsitsia and Tsuchen. For two successive days the railway has been interrupted between Tsingtao and Tsinan at Kaomi, west of Tsingtao.

Japanese naval aircraft from an aircraft-carrier stationed here have made frequent bombing raids inland. Their operations, it is believed, have been directed against guerillas.—Reuter.

Yangtze Guerillas Repulsed

Shanghai, Jan. 10.

Japanese forces operating along the lower Yangtze achieved successful results during the past month in repulsing Chinese troops on the border of the third war zone while at the same time carrying on mopping-up drives within the area, Japanese military authorities here stated on January 8.

Outstanding was the Japanese success in thwarting a Chinese attempt to cut off communication on the Yangtze around Tsingyang in Anhwei, they said. Operations northwest of Tsingyang on the south bank of the Yangtze resulted in the complete defeat of a large Chinese army, which left about 10,000 slain, a Japanese army spokesman claimed.

In sectors north of the Yangtze Japanese forces were active north of Kaoyu in Kiangsu and around guerilla bases south of Tzulaichiao, Kuhochi, and Minkwang, along the Tientsin-Pukow Railway.

Red Base Attacked

South of the Yangtze a base of the new Communist Fourth Army at Niukiangli, north of Kintan, and several other guerilla bases north of the Shanghai-Nanking Railway were attacked during December.

In these engagements the Japanese fought more than 100,000 regulars and guerillas, whose losses totalled 12,181, according to figures of dead left on battlefields after their retreats, Japanese asserted. Prisoners taken by the Japanese numbered 629. Among the booty were 12 heavy and 42 light machine guns, 1,422 rifles and a large assortment of other arms and ammunition.

Japanese casualties were announced as 500 killed.

Tokyo Threat to Yunnan Railway

Tokyo, Jan. 12.

Japan has sent France a virtual ultimatum demanding that shipments of munitions over the French owned Yunnan Railway cease within the fortnight ending January 23.

The note warned that Japanese planes would bomb every bridge on the railway between Kunming and the Indo-China frontier unless the shipment of arms to Chungking over the Yunnan railway ceased.

The Japanese note was handed to the French Ambassador here this week during conversations regarding French aid to the Chungking Government.

Spokesman's Denial

Although official quarters earlier confirmed that a virtual ultimatum had been sent to France, the Japanese Foreign Office spokesman at noon today said that Japan was still considering a reply to France's representations of January 5 against Japanese bombing of the Yunnan Railway.

The spokesman said it would "take some time" before the Japanese reply would be drafted. He said the railway had been bombed for strategic reasons "and has nothing to do with treaty questions."

He derided reports that an ultimatum had already been sent France, saying that "It cannot be a fact."

The spokesman said the French were attempting to convince the Japanese that munitions shipments over the Yunnan Railway were stopped months ago. He pointed out that the Japanese have bombed only that section of the railway line which lies within Chinese territory.

Traffic Not Stopped

Japanese observers said negotiations for the cessation of the traffic of arms and munitions over the Yunnan Railway have been pending since the outbreak of the war with China. It has been repeatedly reported that the French have promised to stop the flow of arms through Indo-China to China, but the Japanese complain that the traffic has not been stopped, but has kept up as vigorously as ever.

Japanese quarters said they believed Japan would continue to bomb the Yunnan railway until the transportation of arms to China through French Indo-China has ceased.—United Press.

British Hospital Said to Have Aided Guerillas

Tsingtao, Jan. 9.

The alleged action of the church authorities in giving "an advantageous position to guerillas" is cited today by an official of the Japanese Consulate-General in Tsingtao as the reason for the burning by Japanese troops of the English Methodist Mission hospital at Chuchia, near Wutingfu, in Shantung, on Christmas Day.

"The Japanese Government and the Japanese authorities in China," the official told Reuter, "have a settled policy of respect for the property of third Powers, but in this case, according to our official investigation, steps were taken by the church authorities to give an advantageous position to guerillas—that is the reason why the incident happened."

He added that "we are making further investigations, but no further details are at present available."

In admitting the burning of the hospital during the week-end, the Japanese authorities here refused to give the name of the unit responsible, or guarantees for the future. They alleged that the mission practised "discrimination."—Reuter.

Wireless Regulations Explained

Chungking, Jan. 12.

Reports that the new regulations governing wireless transmission by British subjects have as their main object prevention of unauthorized communications with Chungking are "not in accordance with facts," it was stated by a British Embassy official here today.

He added: "Transmission by wireless in the United Kingdom has been prohibited for some time, except under licence issued by competent authorities.

"The new regulations merely submit British subjects in China to the same regulations as if they were in the United Kingdom."

Under the new regulations no British subject of corporation may, without the authority of a written licence granted by the Ambassador, Sir Archibald Kerr, operate, assist in or provide any facilities for the operation of any telegraphic or telephonic wireless transmitting apparatus.—Reuter.

Broadcasts Used In Nanning Area

Chungking, Jan. 15.

An unusual chapter in the Sino-Japanese fighting in the Nanning area was revealed today, when it was officially stated that "several well-known Japanese writers, at present in China co-operating with the Chinese authorities, broadcast in Japanese at the height of the fighting in the hills northeast of Nanning, urging Japanese soldiers not to fight for their militarists."

Six Japanese writers, belonging to the "Japanese anti-war league in China," are alleged to have participated in the broadcasts six nights in succession under the leadership of Mr. Wataru Kaji.

The Japanese writers are reported to have arrived in Kwangsi on December 28, when they immediately inspected the Chinese positions and selected a suitable place for their broadcast.

The first broadcast is said to have been delivered on the night of December 29 from a hill northeast of Kunlunkwan, "in the midst of a severe Chinese assault on the strategic pass."

When the broadcast started, however, the official statement asserted, "the Chinese troops ceased firing in accordance with previous arrangements. Japanese troops were then only 300 metres away from the loud-speaker.

Greeted by Machine-gun

"As one Japanese writer started to speak, saying 'Hello, our dear Japanese brothers,' he was greeted by a burst of machine-gun fire, but he went on, and soon Japanese firing ceased, while the powerful loud-speaker carried his voice in the quiet of the night 2,000 metres over the hills.

"In conclusion, they gave the Japanese soldiers one hour to surrender, firing three rifles shots into the sky as a signal.

"When the time-limit expired without a response from the Japanese soldiers guarding the pass, Chinese troops resumed the attack."

The Chinese claim that the broadcast was successful, for though the Japanese did not surrender, the Chinese attack the following morning is alleged to have met with very little resistance.

As the Chinese pushed southward towards Nanning, these Japanese writers, the Chinese statement declared, continued their broadcasts at the front. Each member of the party was armed with a pistol, for their leader, Mr. Kaji, declared that should they fall into Japanese hands they could expect no mercy, and that they would rather die by their own hands.

"Mr. Kaji indicated that the party would make more broadcasts to Japanese soldiers at the front."—Reuter.

Protest to Moscow on Ship Detention

Hongkong, Jan. 15.

Cabled protests against the action by the British Navy in bringing the Russian steamer Selenga (2,500 tons) to Hongkong for examination of its cargo have been sent to Moscow and M. Ivan Maisky, Soviet Ambassador in London, by M. Yaseekevitch, captain of the vessel.

The ship's cargo, M. Yaseekevitch told interviewers today, included 1,000 tons of wolfram destined for Moscow via Vladivostock, while the remainder of the cargo comprised antimony and coffee.

The Selenga is the first non-British freighter to be intercepted by the British navy in China waters since the outbreak of the war.

When the vessel was brought to Hongkong two days ago, it was stressed that the examination was a perfectly normal feature of the war, and that she in no sense might be regarded as a prize.—Reuter.

Destined for Germany?

Manila, Jan. 15.

Part of the cargo aboard the Soviet freighter Selenga, which was detained in Hongkong last week for inspection by the British navy, was destined for Germany, the Manila "Bulletin" reported here today.

Part of the cargo aboard the ship was loaded here, the paper said, although that part of the cargo is not necessarily the reason the ship was stopped. The Selenga was the first ship to be stopped by the British navy for inspection in the Far East.

Unconfirmed reports said that the cargo was valued at 350,000 pesos and at least some of it was said to have been destined for Germany via Vladivostock. The ship was reported to have carried scrap iron, iron ore, antimony, wolfram, tin and coffee.—United Press.

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NEWS FROM THE INTERIOR (continued)

Japanese Bomb Kwangsi Cities

Hardly an Important Centre Which Has Not Been Hit Many Times ; Liuchow Vital Objective

SPECIAL TO THE "N.C.D.N."

Somewhere in Kwangsi, Dec. 23.

DURING the past few days there has been intense aerial activity over a wide area throughout Kwangsi. There is hardly a single important city that has not been visited a number of times, and small insignificant places have been called upon for the first time. In some cases bombing accompanied the flights.

Early yesterday morning when most people were still waiting for their breakfasts one lone air bird flew into the province from the south and flew over Pokpaak, Hingip, Kwaihsien, Wusuen, and at about 7.55 o'clock reached Liuchow. The "bird" circled over the city for a time and, then pointing its beak towards Kweilin, it started off in a northeasterly direction. It had not flown far, however, before other eagles came in view beaning the insignia of the Chinese Government.

A second plane took off from the Nanning airfield half an hour later and flew northward to Tuan where it spent considerable time in reconnaissance. As the city clocks were stricking 9.30, a third squadron, composed of three planes, appeared above Pokaak then passed northward to Wonghsien, 131 miles east of Nanning. The city seems to have a special attraction for this plane and it circled and sailed for a long time and then returned to its base.

More Planes Appear

The sound of this plane had scarcely died down when the muffled roar of other planes was heard and presently nine planes hoved in sight. They too had a great interest in this inland city and, high up in the air, inspected it from all angles and then without dropping bombs returned to their base.

In less than an hour nine other planes entered the province. These spent their time in viewing the Watlam and Lukchuen. Those places are on the main highway leading into the province from Pakhoi and has been the route, over which, during the past few months, a great deal of foreign goods have entered the province, not a small amount of which was labeled "Made in Japan."

As the hours passed the number of planes increased until at 11.20 a.m. the sixth squadron composed of 27 planes roared into view, entering by the same route. The noisy squadron passed over Watlam and circling Wuchow headed for Kweilin, present capital of the province, where they arrived at 12 o'clock. This city has experienced many devastating attacks, but it was to get another and after circling round for a time viewing its templed hills, its embattled walls and bomb-scarred buildings they dropped a score of bombs to add more to the awful wreckage that already exists in this ancient city. After dropping the bombs the planes divided into three groups of nine each and flew off.

Dog-fight Over Liuchow

The third group of nine planes went further west and appeared above Liuchow, where earlier in the day a lone Japanese plane had met resistance at the hands of other flyers. An unconfirmed report states that once more opposing planes were on the scene and that a dog-fight took place resulting in more exercise for both sides, but with little damage to any of the contestants. After a few rounds which resulted in a draw the invading planes made off.

At 2.40 p.m. the seventh squadron of planes numbering nine arrived and made the most extensive tour of the province that day.

By 6.10 p.m. they had reached Liuchow which had already been visited twice that day.

Late Raid Unexpected

Most of the city's inhabitants, still feeling the nervous strain of the previous two aerial conflicts, were now in their homes and shops warming themselves by the evening fires not knowing what might happen on the morrow, but wrapped in nameless reverie comforted themselves with the thought that, at least, for that day, all anxiety could be laid aside.

Suddenly the air-raid alarm began to shriek out its warning notes. Consternation and fear gripped the populous. A perfect babble of voices, half cries and half groans, arose from a rushing mass of frightened humanity who, leaving their homes, rushed out into the night to find shelter. Most of the people had not reached their hiding places, but were still in flight when the planes arrived and panic stricken they hid in every nook and corner. The full moon's beams shining on the placid surface of the Willow River which skirts Liuchow on three sides presented the city in the centre of a horse shoe of silver easily seen from the air. Presently flashes of flame from bursting shells dotted the city as scores of bombs were poured on buildings not yet wrecked from previous bombings.

Aerial activity was again intensified today when 82 planes carried out numerous reconnaissance flights over the eastern half of the province. It was scarcely daylight when the first squdron of 24 planes flying in three groups appeared. Kweilin and Liuchow were again heavily bombed, the latter suffering severely. In the morning 24 planes flying in three groups visited the city and each took turns in dropping bombs.

Again in the late afternoon nine planes after bombing Kweilin visited Liuchow and released the remainder of their bombs. Even the gathering of the evening shadows did not prevent the planes from carrying on their work, and it was an hour later before the last "All clear" signal had sounded, and weary people returned home for their evening rice.

Little Apparent Success

During the past month since the fall of Nanning and the subsequent seizure of the strategic pass leading over Kaofung-Ngao mountain on the Nanning-Moming highway and the capture of Kwenlung on the Nanning-Pingyang road there has been nothing spectacular to report. Both sides have been struggling for the mastery with little apparent success. There have been attacks and counter-attacks; advances and retreats.

What one side gains today is often lost tomorow and the see-saw struggle that has been kept up on both fronts for four full weeks leave both armies in about the same positions they were a month ago. Japan does not seem to have sufficient forces on hand to advance further and the Chinese armies are not well enough equipped to regain the lost positions and a stalemate has been reached.

It is reported that during the struggles hundreds of Chinese troops who had turned over to the Japanese before Nanning was captured, were later convinced that "one good turn deserves another" and turned back to their former leaders.

Japanese Ship Blown Up on Yangtze

Chungking, Jan. 13.

American circles here today report that a Japanese ship was blown up on Yangtze below Hankow today. Official confirmation or further details are not obtainable.—Reuter.

Wharf Space Extended At Tsingtao

Tsingtao, Jan. 14.

Relaxation of Japanese military restrictions in Tsingtao Harbour will permit third-party ships to use Wharf No. 1 in the Big Harbour here, Mr. Denjiro Kato, Japanese Consul-General revealed here today. Two warehouses will also be made available to third-party trade.

The Japanese military and naval authorities announced in a joint communique yesterday that restrictions would be "further relaxed" immediately. The use of the wharf and warehouses will be subject to Japanese military rules, while this privilege may be cancelled in the case of military necessity "or suspended for third-party vessels found to have engaged in hostile action," Mr. Kato added. He remarked that these qualification were "only reasonable."

A portion of the Big Harbour was opened to third party shipping on March 25 last year subject to Japanese military regulations, he recalled. —Domei.

Japanese Pilot Shoots Self

FROM OUR OWN CORRESPONDENT

Wuchow, Si., Dec. 16.

The must spectacular event of the week—a week in which seven interior Kwangsi cities were bombed—was the bombing yesterday of the small town of Fungchuen in northern Kuangtung, on the West river a few miles south of Wuchow.

At 9 a.m. the Wuchow air-raid alarm screeched out its warning notes and a few minutes later the urgent alarm sounded, indicating that the planes were near. Soon the zoom of the planes, like the purring of a cat, could be distinctly heard and in a very few minutes the distant purr had changed to a thunderous roar as seventeen planes came into view.

Approaching the city in two groups they circled round as if looking for a target, and then heading for Fungchuen began to drop their loads of explosives. Again they circled round and once more bombs were dropped.

During the second raid, however, an accident happened. One pilot more daring that the others and evidently with a desire to make a direct hit on some object, flew very low over the town. The anti-aircraft guns snapped in angry defiance, and the daring plane was struck. It wobbled, tilted and then began to drop. Leaving two companions in the falling plane the pilot parachuted to earth and made a safe landing while his two companions were hurled to death when the plane struck ground. The lone survivor slowly walked over to his wrecked plane. Lighting a cigarette he nonchalantly smoked for a minute, but, as the crowds began to draw near, rather than be captured the pilot drew his revolver and shot himself through the head.

The other planes noted the accident and hovered around for some time, and then flew off. Shortly after noon three planes returned and after circling over the town for a short time dropped a wreath of fresh flowers in honour of their dead comrades.

The plane, badly wrecked, was later taken to Wuchow where it was put on exhibition on the foreshore where the milling crowds gathered round to view the parts and to inspect at close range one of those war machines which has struck terror to their hearts on many a day during the past twelve months or more.

Shortage of Cereals In Peiping

Peiping, Jan. 14.

Growing shortage of cereals is creating a serious situation in North China. This is partly due to the floods in the summer and partly to a shortage of railway freight cars. The situation, however, has greatly worsened because of arbitrary price-fixing and commandeering of stocks by the Chinese and Japanese authorities.

The present officially fixed price of flour in Peiping is around $8 local currency per bag, which is actually $1 lower than the price of flour landed at Tientsin, while almost non-existent free stocks are selling privately at $15 per bag.

Japanese residents receive their requirements from official organizations at the official price, but the Chinese population and particularly the poorer classes are unable to obtain any cereals at all, causing very acute distress.—Reuter.

Rice Shops in Canton Looted by Mobs

Canton, Jan. 12.

Ten rice shops were looted yesterday afternoon during disorder caused by the currency situation.

The position created yesterday by the refusal of traders to accept Kwangtung currency, while national currency has been discounted 60 per cent. compared with the military yen, has not improved today. Only rice shops are accepting national currency, after more than doubling their prices.

Opinion is expressed here that the crisis was engineered by the Chinese, to prevent national currency falling into Japanese hands, so giving them means to purchase foreign exchange. —Reuter.

Japanese Army in North Not Anti-American

Peiping, Jan. 14.

"The Japanese Army in North China has no intention of engaging in any activities leading to an anti-American movement or anti-American ideas in any respect," declares a statement issued here by the North China Command.—Reuter.

Christmas Spirit in N. Kiangsu

SPECIAL TO THE "N.C.D.N."

Sutsien, Ku., Dec. 26.

This year the Christmas celebration at Sutsien included a new feature. More than 1,000 Christmas presents, sent by Protestant churches in Japan and Roman Catholic churches in Formosa, were brought here by the Japanese Army, and turned over to missionaries and local church organizations for distribution among the children of the congregations. Many of the presents were made by Japanese children. The list included picture books, picture cards, drawing books and crayons, and many kinds of toys. This is a gesture of friendship and goodwill in a world where such gestures are badly needed just now.

For several months past, there have been rumours of impending counter attacks against this city by Chinese, but no such attack has materialized for more than a year. Meanwhile, many skirmishes have taken place, in the towns and villages. Reports are conflicting, as always. In most skirmishes, the Japanese eventually remain in control of the scene of operations: but the Chinese claim that they have attained their purpose of inflicting more or less serious damage on the Japanese. In general, the situation here is similar to that reported from most parts of China. The Japanese hold the cities and guard the main lines of communication, but the Chinese guerillas roam at will in the rural districts.

Villagers the Sufferers

No matter which side wins in a skirmish, the civilians are the principal sufferers. In many cases, their homes are burned; and in almost every instance, their supplies of grain and other movable property are carried off or destroyed. This looting may be done, not by the soldiers themselves, but by thugs who follow them and take advantage of the confusion to grab everything in sight, including any of the people who may be worth kidnapping.

In many towns, the people have the habit of fleeing whenever they hear or see soldiers coming. For old people, young children, or invalids, such flight in winter means great distress.

During December, grain prices rose sharply. In some places, present prices are said to be nearly double the figures of October or early November. Just now, despite high prices, or because of rising prices, not much grain is appearing on the market at Sutsien. Some of the country towns will not allow grain to be carried away, for fear of shortage and further rise in prices. In some sections, guerillas prohibit transportation of grain, to prevent it from being sold to Japanese. While high prices for grain mean more money for farmers who have grain to sell, they also mean great distress to poor people in cities and towns.

Of course prices of all imported goods are high here, as elsewhere, because of the depreciation of Chinese currency. In addition to this general condition, local merchants and their customers also suffer from high costs of transportation in the interior, and from lack of adequate transportation facilities. Practically all goods coming from Shanghai, Tsingtao or Tientsin, must be hauled from Hsuchowfu to Sutsien by truck. The distance is 80 miles, and almost the entire road has rock surface. The freight rate is supposed to be $4.40 per 100 kilog. There are never enough trucks to carry all the goods awaiting transport. Japanese, Korean and Chinese merchants have goods to be carried, and it does not require any great effort of imagination to discover which is the "most favoured nation." Kerosene sells at $25 for five gallons and soft white sugar at 60 cents a catty.

Two Sets of Officials

Each district now has two sets of officials, one connected with the Chinese Central Government and one with the Japanese. Both sets are trying to make ends meet by collecting various taxes from the long-suffering people. These officials display considerable degrees of ingenuity in their methods of extortion. The Central Government officials have to depend largely on taxing land, levying tariff on salt and other commodities being pushed across the country on wheel barrows.

The officials in touch with the Japanese, being in control of the cities and main lines of communication, collect tariff on goods entering or passing through any city or town where they establish themselves. A coolie bringing a wheelbarrow load of charcoal to town must pay tariff to every gang of soldiers,—on either side, guerillas, militia, local guards or any one who has a weapon.

All wholesale establishments here are inside the city and no outsider can enter the city to buy goods. People who live in the city must have good citizen tags and they can go outside and sell goods at market stalls or roadside stands; but those who live outside are unable to obtain goods directly from the wholesaler at all; they must buy from middlemen, thus increasing costs and cutting profits.

Documents Necessary

No one is allowed to carry anything out of the city unless he has a document, or set of documents, proving that he is the owner of said property, that he bought it and did not steal it, and that taxes and extortions have been paid on it. This rule includes all sorts of articles; parcels, cloth, even the pitiful little poles or sticks which are used in building mud huts. Some of these things may not have paid taxes, but they must be accompanied by certificates of ownership.

One of the most serious difficulties is the impossibility of remitting money to Shanghai to buy goods. There are no banking facilities whatever. The Post Office issues money orders only in infinitesimal amounts, and at long and irregular intervals. The sum total that can be remitted by this means is hardly sufficient to buy matches for this district, not to mention cigarettes.

Even if a merchant goes to Shanghai, there is a limit to the amount of money which he is allowed to carry, about $200, and this must be changed from one currency to another along the way. Such changes usually are not profitable to the merchant who is carrying the money.

Liaison Officers Confer

Nanking, Jan. 12.

With fundamental policies relating to the establishment of the new Central Government of China meeting their approval, Directors of Liaison Offices in China of the Asia Development Board today began holding conferences with officers of Japanese Expeditionary Forces to China at General Headquarters.

The Directors approved the policies at a meeting yesterday afternoon. The policies previously had been approved by the Japanese Cabinet.

Next steps in the establishment of the projected New Government will be taken as a meeting of the Central Political Council which will be the nucleus of the new Government.

Lieut.-Gen. Heisuke Yanagawa, Governor of the Asia Development Board, explained at yesterday's meeting what appeared to be discrepancies between the basic policies and special regional conditions. He also touched on the three principles of friendly relations, joint anti-Cominternism and economic co-operation as contained in the Konoye statement and their references to the basic policies relating to the new Government.

Lieut. Yanagawa was due to leave for Shanghai today or tomorrow.—Domei.

Liaison Officers Talk Over New Regime

Nanking, Jan. 13.

All directors of the Liaison Office in China of the Asia Development Board reached a thorough understanding of policies relating to the establishment of the new Central Government of China, Lieut.-Gen. Heisuke Yanagawa, Governor of the Board, declared yesterday.

He added that all directors would co-operate to the fullest in attempting to meet the wishes of both the Japanese and Chinese people.

The fundamental principles surrounding the establishment of the new Government were studied and approved at a meeting of the directors of Liaison Offices on Thursday.

The policies had previously been approved by the Japanese Cabinet and the Asia Development Board.—Domei.

Japanese Angered by Macao Action

Canton, Jan. 12.

Claiming that a pledge made on Tuesday had been broken, Japanese authorities here were understood today to be dissatisfied with the lack of action of authorities at Macao for allowing a branch of the Chungking Kuomintang to meet there.

Executive committees of the branch at Macao were understood to have held their first meeting, at which Gen. Chiang Kai-shek was praised and Mr. Wang Ching-wei, who will be the central figure of the proposed new Central Government of China, was criticized.

Macao authorities are reported to have made a promise to Japanese authorities in Canton that strict control over anti-Japanese elements would be maintained.

Japanese residents in Canton were also reported to be displeased with the unnecessarily strict examination of Japanese travellers calling at that port.—Domei.

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New Cadet School in N. China

More Than 1,000 Students Under Japanese Tutelage; Army of 15,000 Raised, Garrison Principal Cities

SPECIAL TO THE "N.C.D.N."

Peiping, Dec. 30.

ON Boxing Day a party of foreign correspondents were taken by the Japanese military spokesman on a visit to the new Chinese Military Academy, that the Japanese started at Chingho, a small town about half a dozen miles north of Peiping. Prior to the China Incident the school buildings were military barracks, which had played quite a role in the history of the civil wars, having been occupied in turn by the troops of Tuan Chih-jui and the Anfu Party, notorious for its pro-Japanese leanings, and thereafter by those of Feng Yu-hsiang Chang Tso-lin, Shih Yu-sen and others. The wheel has now turned a full circle, and the barracks are a training college for officers of the new army of north China, under Japanese auspices.

This new army is so far 15,000 strong, but is being rapidly expanded. It has garrisons at Peikuan just north of Peiping, Tungchow, Kaiping near the Tongshan mines, Tsinan, Paoting and Chengting on the Peiping-Hankow Railway.

The "Provisional Government of the Chinese Republic" has at present no Ministry of War and the new army is therefore under the Public Safety Department of the "Provisional Government." This fact was quoted as clear proof that this Chinese army was being raised solely for the purpose of maintaining peace and order in the northern provinces, and not with any intention of using it to fight the Chungking Government. That, however, would appear to be rather a nice distinction, a kind of sophistry. Whether it will work out quite like that in practice is another question altogether.

1,000 Cadets in Training

The Chingho Military Academy, which was opened last year, is the only one of its kind in north China. It has some thousand odd cadets, of whom about two-thirds are said to come from the Peiping and Tientsin districts, and the remainder from other provinces of the north. Candidates apply for a scholarship in the academy in answer to public advertisement. No pressure or suasion of any kind, it is said, are used by the authorities, in order to fill up the school. The age limit for entrance is from eighteen to 25, but in actual fact about four-fifths of them are below 20. They must be guaranteed by two respectable persons, are supposed to have a middle-school education, and have to pass an easy entrance examination. Of 1,400 candidates for scholarship this year 1,060 passed into the college.

We saw the cadets at their drill and in one of their classes—it was a lesson in Japanese. They appeared to be a healthy, well-built set of youths. But, judging from what one saw of them, one would very much doubt whether many of them had been through a middle-school education. The majority did not look as if they came from the literary classes of the towns. Rather, they had the appearance of boys from better-off peasant families.

The training is conducted on the same lines as those of the military colleges in Japan, but the course at the Chingho academy would appear to be a strangely short one: only one year, including a month's visit to Japan. In this time they are supposed to obtain a grounding in such a varied set of subjects as: strategy, tactics, military law, fortification, topography and the Japanese language—quite specially the Japanese language. Not to mention drill, rifle shooting, and gymnastics. One imagines that it can scarcely provide them with a very thorough military education.

It was admitted by the Japanese director of the school that the period was much too short a one, but was excused on the grounds of the great shortage of officers in the new army, and the need for turning them out as rapidly as possible. In fact, in order to increase the supply, former officers of the Chinese army are also taken in and are given a special training course of only ten months. When this is completed, these latter are at once made company commanders, whereas the ordinary cadets, when they pass out, are only given the lowest rank, that of platoon commander.

Free Board and Clothing

During their term at the college the cadets receive free board and clothing and Y.5 pocket-money each month. On becoming officers they are given a grant for uniform of $60 and pay, divided into three grades, of $60, $55 and $50 a month.

The Chinese principal of the Military Academy is Gen. Wang Jung-chuan, who is also Vice-President of the Public Safety Department of the "Provisional Government." He was an officer in the army in the old Manchu Days, a military student in Japan and speaks Japanese fluently. After the 1911 revolution he rose gradually in the army to become Tuchün of Fukien Province, until he retired into private life in 1924. The Japanese director is Col. Nakamine; and there are altogether twelve Japanese instructors attached to the staff, of whom ten are military and two civilian.

No political teaching is given at the college. According to what was said, the cadets are allowed to think what they like. In applying for entrance to the college, all that the candidates have to sign is a statement to the effect that they will obey the orders of the "Provisional Government."

The party, needless to say, was not permitted to talk to cadets privately. Nor is it likely that, even had one been able to do so, no one would have discovered what they really think about it all at the bottom of their hearts. Ordinary common caution and also a certain constraint, owing to their somewhat equivocal position, would certainly have kept them from divulging their true opinions.

From the numerous cases one has heard of in recent days, it would seem that the best the Japanese can hope for from the new Chinese levies, that they are so busy training, is that they will run away in any serious encounter with their own countrymen; but the worst, that they will go over to them in a body, with all their arms and equipment, their officers having obtained a fair knowledge of the Japanese language, which has been so sedulously drilled into them at this military college.

Currency Chaos in Canton

Canton, Jan. 11.

Chinese business throughout the city today has been brought to a standstill owing to the refusal of shopkeepers, tradesmen and restaurants to accept Kwangtung currency, whilst national currency has been discounted 60 per cent. compared with the military yen.

Adding to the confusion, money-changers are refusing to change Kwangtung and national notes into yen. Unless immediate drastic action is taken by the authorities, it appears the Chinese population will soon be in a desperate plight, without the means of purchasing rice and other necessities.—Reuter.

Canton in Flourishing Condition

Canton, Jan. 13.

Contrary to his expectations, Canton proved to be a flourishing city bearing scarcely any traces of the recent hostilities, Group Capt. W. E. G. Bryant, Air Attache to the British Embassy in Japan, told Japanese newspaper men here yesterday afternoon.

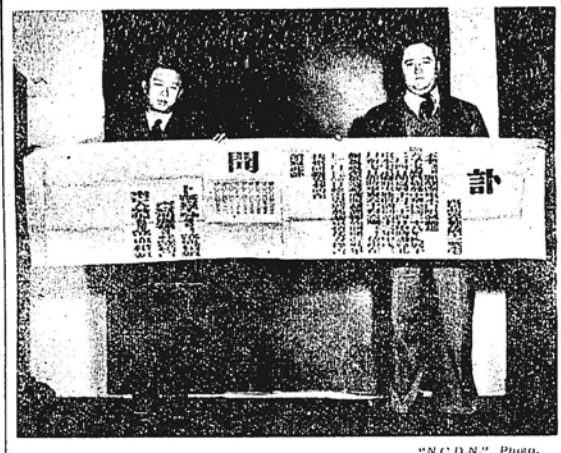
It was difficult to realize, he said, that Canton had passed through a baptism of fire not long ago.

Judging from what he had read in newspapers and heard by word of mouth reports, he had thought Canton was a deserted place containing few Chinese, he recalled.

Capt. Bryant was impressed by the sanitary facilities and educational institutions in the city.

It was inevitable, he admitted, that third-party nationals would suffer inconveniences to some extent while Japanese military operations were going on. He said it was his opinion that Japan was making an effort to recognize the interests of third-party nationals.

The British Air Attaché expressed a hope that foreign vessels would soon be permitted to operate on the Pearl River.—Domei.



"N.C.D.N." Photo.

Marshal Wu Pei-fu's Funeral Notice

This long scroll is the official notice of the funeral of Marshal Wu Pei-fu, who died in Peiping recently.

Funeral of Marshal Wu Pei-fu

Shanghai, Jan. 11.

One of the largest funeral notices ever seen in this country has been received by the "North-China Daily News" announcing the coffin-removing ceremony for the late Marshal Wu Pei-fu who died in the north on December 4.

It is very politely announced in classical language that the coffin will be removed from his Peiping residence to the Tsang Hwa Sheh (temple) on January 24. There, it will remain pending internment arrangements to be made in his native district in Shantung.

The notice was sent here some time ago from the Peiping residence of the late Marshal and distributed through the Shanghai Office of the Funeral Committee, which is located at 670 Avenue Haig. It is widely distributed under the names of the late Marshal's son, Mr. Wu Tao-shih, two grandsons and his widow Mrs. Wu, who traditionally addresses herself as "wei wan jen" meaning the one who has not died. It is indicated in the notice that a series of Buddhist religious prayer meetings will be held in the Wu residence commencing December 6 until the date fixed for the coffin-removing ceremony.

A brief biography of the late Marshal written by his son and printed in a pamphlet form is enclosed in the big envelope containing the funeral notice. It is indicated that Marshal Wu was a patroit throughout his life and that in his last years he often expressed his determination to recover the lost territory. Mr. Wu blamed himself for his father's death stating that in the first place his father's tooth should not have been removed which fact later caused his death.

Soviet Ship Held Up In Hongkong

Hongkong, Jan. 13.

For the first time since the start of the European war, the British Navy in China waters has intercepted a non-British merchantman and brought it to Hongkong for examination of its cargo.

The ship affected is the Russian steamer Selenga (2,500 tons) which, according to a communiqué issued by the British naval authorities, was intercepted by the Navy and brought to Hongkong this morning in order that her cargo may be examined for contraband.

It is emphasized that the vessel in no sense may be regarded as a prize.

This examination, it is added, is a perfectly normal feature of the war, although hitherto it has not been exercised in Hongkong waters.—Reuter.

Japanese Steamer Sinks In Yangtze

Hankow, Jan. 14.

A Japanese steamer, the Sumei Maru, sank at 7.25 a.m. on January 10 at a point 25 miles from Hankow after two explosions. The steamer was on its way to Hankow. Japanese naval authorities attribute the explosions to old Chinese mines uncovered by the low river.

Reports of heavy casualties cannot be confirmed, while Japanese officials aver that the loss of life is very small in consequence of the upper deck remaining above the water.—Reuter.

Chinese Mata Hari Arrested

Shanghai, Jan. 9.

A Chinese Mata Hari, notorious woman spy who worked for the Germans during the first World War, has been arrested. It is reported that she has been arrested by Japanese gendarmes in Nanking who, it is alleged, found her working for the Chinese army in the guise of a sing song girl mingling with Japanese officers and soldiers.

The belated report does not mention in detail as to how she has been working but it is alleged that she has been obtaining information from the Japanese for her husband named Chu Shiu-shan, said to be a spy connected with Chinese guerillas operating in districts in north Kiangsu. It is further alleged that her husband has been meeting her in her establishment trying to transmit secret messages to the Chinese.

It is admitted that by virtue of her Leauty she has been able to attract the attention of the Japanese thus enabling her even to steal documents carried by Japanese officers. She is also said to have obtained connections with Japanese officers responsible for defence works in the new capital. She has been turned over to the military court for trial.

The alleged Chinese woman spy is Miss Sun Siu-ti, which name she used as a member of the Hsing Hwa Lao Sing Song House at 5 Chu Chiao Road, Nanking. Aged only 21 she is said to be a native of Yangchow, North Kiangsu. She was "mortgaged" to the sing song house for only $400 in May of last year.

Business in Soochow Slightly Improved

FROM OUR OWN CORRESPONDENT

Soochow, Jan. 8.

Conditions in Soochow remain unchanged. Business has improved slightly and the country people continue to complain of robbers. The prices of wood have gone steadily up and supplies are becoming limited. The timber that is now being cut has required about fifteen years to grow and in case the present use continues acute shortage must be felt by next year.

Rice is quoted today at $21 for one picul. One of the biggest troubles right now is shortage of small change. This hits the pedlar and the small shop very hard. Large stores either are crediting the customer with an advance deposit or requesting exact change with purchase.

Some deaths of beggars from exposure are being reported. Rice is being distributed from several centres and clothing given, but should weather become colder there will be much suffering on the part of the very poor.

New Bridge Handed Over

Built by the Central China Mining Company, a joint Sino-Japanese concern, Fengshan bridge spanning the Hsingwei River near Nanking was to have been handed over to the Kiangning District Government at a ceremony held at 11 o'clock on Sunday morning, the "Tairiku Shimpo" reported on January 14.

The bridge, situated on Chungking Road linking Nanking and Molingkwan, replaces a structure which was destroyed by the forces of Gen. Chiang Kai-shek when Nanking fell on December, 1937. Work on the new span was started in October last year and completed on January 5.—Domei.

Doctor with Chinese Dies After Accident

Chungking, Jan. 9.

Details of the death of Dr. Norman Bethune, a Canadian, in North Shansi, and his activities as a volunteer physician with the Chinese army, have just been disclosed by official sources here.

Dr. Bethune, who came from Montreal, died on November 13, after he had developed blood-poisoning when he cut his finger while performing an operation on a wounded Chinese guerilla.

Despite all efforts to save his life the doctor, who was known among Chinese as "the benefactor of the guerillas," drew his last breath amid a group of colleagues in a guerilla district behind Japanese lines in North Shansi.

Just before his death, Dr. Bethune was planning to leave China and conduct a lecture tour and fund raising campaign in the United States, to aid medical relief for Chinese forces in Shansi.

Dr. Bethune saw service in the world war and was among the Canadian volunteers for medical work in Spain. He came to China in the summer of 1937, soon after the outbreak of Sino-Japanese hostilities.

He operated on an average of 130 patients a month, sometimes performing ten to 15 operations daily.

From April to July, 1939, he performed 315 operations, walked 500 miles, established 13 first-aid dressing stations, organized two medical units, conducted a series of technical lectures and formed a model hospital.—Reuter.

Ship Sinks in Yangtze, Mine Blamed

Shanghai, Jan. 11.

Believed to have struck a mine, the Toa Kaiun Kaisha Sumei Maru, plying between Wuhu and Hankow, sank 35 miles down-stream from Hankow on January 10 at about 11 a.m. One of the crew and two or three passengers were said to be missing, while all others on board were picked up and taken to Hankow by the steam launch Momo Maru, of the same company, which happened to be passing near the scene. Details were lacking last night, pending an investigation.

More Russian Advisers In Sian

Tsingtao, Jan. 10.

The number of Russian military advisers in Sian, capital of Shensi, has been considerably augmented in the past few months, according to a party of foreigners who have just arrived in Tsingtao. They travelled by way of Chengchow and Kaifeng, passing from Chinese into Japanese-controlled territory.

The city of Sian, the travellers stated, far from having been "obliterated," as claimed by the Japanese after their heavy raids during October, presented a comparatively normal appearance.

The Drum Tower, age-old landmark in the centre of the town, has had one of its corners blown away; the Y.W.C.A. Hostel has disappeared—only a crater remains; the Bank of China and the modern Guest House have been damaged. Otherwise, there are few signs of destruction.

The visitors added that the morale of the people continued to be amazingly high. Merchants, however, were experiencing considerable difficulty in obtaining goods to sell.—Reuter.

British Contribute to Relief in China

Chungking, Jan. 10.

Over $80,000 so far have been distributed by the Chungking branch of the British fund for relief in China, formerly known as the Lord Mayor's fund, since the establishment of a branch here last March. Out of a total of $140,000 received, some $60,000 remain.

It is learned that $120,000 have been remitted from Shanghai to Sian and Ichang. The Chungking committee has also received a donation of $75,000 from the Chungking office of Messrs. Butterfield & Swire.

Among other large donations received was one from the British Ambassador, Sir Archibald Kerr, who was in Chungking when it was bombed by the Japanese last year. He is reported to have personally handed $3,000 to Madame Chiang Kai-shek for relief work among victims of the bombing.—Reuter.

NANKING's population totaled 576,347 persons at the end of 1939, the "Shanghai Mainichi" reported yesterday. This represents an increase of 7,308 persons compared with the population at the end of November, 1939.

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NEWS FROM THE INTERIOR (continued)

Panchen Lama's Men in Conflict

Tibetan Border Scene of Serious Fighting as Disgruntled Henchmen in Interecine War

By Tibetan

Tachienlu, Dec. 15.

THE situation throughout Sikang during the past few days has become quite serious and fighting broke out at Kanze between the Chinese and the Panchen's retinue. Since the death of the Panchen Lama at Jyekundo the situation throughout Eastern Tibet has very slowly but definitely deteriorated and any one observing the Chinese and the Tibetans must have seen trouble ahead. During the past year the Panchen's followers has become largely a camp of dissatisfied and disgruntled men.

When the Panchen with his large following left Nanking on the long trail to Lhasa his followers lived like lords and ate and drank and used all a generous government was prepared to give them. Beautiful suitcases, handbags and trunks were the order of the day and the followers of this big lama did everything but renounce the world, the flesh and the devil. The Panchen was a big lama and his followers naturally became big men.

It took $40,000 every month to move this big lama and his retinue from one point of the Chinese Empire to another: so when the big man stopped moving his income stopped coming and this hit very hardly his largely increased camp following. When the Panchen died at Jyekundo in central Asia the camp followers numbered 2,000 hardy beef-eating men.

When the Panchan entered Amdo and Tibetan territory his retinue rode the nicest and finest ponies the nomads could produce and rode them every day to the martial airs of the Panchen's band. The nomad is nothing if not reverential and devoted to the spiritual head of Lamaland. So when the big lama comes along the nomads bring out their yak butter by the ton and entertain the Panchen and his followers. Yak, mutton, lamb, venison, and sometimes—tell it not in Gath—some good slices of good, fat, Chinese pork, helped to keep the retinue warm. Why not? Lamaland is a cold country and fat pork will not only keep a man nice and warm but sweet and happy. The fact that Lamaism says, "thou shalt not kill" in no way implies, "thou shalt not eat."

Since the Panchen's death the camp followers have been waiting for something to turn up: and something turned up at Kanze a few days ago.

What turned up is now largely a matter of discussion but the spark went off and some firing took place. Dehching Wangmo was a prisoner in her own large Tibetan palace so the Chinese garrison with Col. Chang, it is said, took refuge in the princess's palace. Heavy fighting soon followed and one report has it that 200 Chinese soldiers were killed. When the garrison moved into the palace the fact was overlooked that the building was some distance from water. The garrison had been careful to move in rice and dzamba and other foodstaffs; but there was no water. When darkness came Chinese soldiers came out for water and the Tibetans sniped them off.

Camps in Armed Array

Things have quietened down somewhat but the two camps face each other in armed array. The demand is now made for Dehching Wangmo and her brother, the Kangsar Lama to surrender, and the Kanze lamasery has joined in the demand. This is the first time that the Kanze lamasery with its 3,000 lamas has taken sides. Usually it tried, in all the Sikang disputes, to remain neutral. Kangsar's sister Dehching was a prisoner in her own palace charged with the crime of attempting another marriage, so her followers, with the help of the Panchen's outfit, were prepared to fight and die on her behalf.

The uprising spread from Kanze to Nyarong, Derge, Denko and Lenkaishi. Jago Dodeh, a powerful chieftain in Derge, and some powerful robber bands have thrown in their lot with the Kanze lamasery. The Dajae lamasery has also taken sides and is fighting for the Kangsar Lama who is supposed to be a direct descendent of Genghis Khan. Kanze is the centre of the Hor States and the Hor belong to the famous Horba, descendents of the famous Khan.

As a by-product of the present dispute between the Chinese and the Tibetans, two Tibetan tribes are now at each other's throats and this struggle is reported to be fiercer than the fighting round Kanze. These two opposing tribes have waited for a long time but the opportunity has come at last and now there is a terrible slaughter.

There is a report to the effect that the Central Government at Chungking has been asked to mediate between the Panchen's outfit and the Sikang administration; while it is further reported that an independent state is being formed with Kanze as its centre.

Peter Goullart is now crossing the high Zhara Pass on his way to Gada. For some weeks the weather has been warm and sunny; today is bitterly cold and looks as if there might be a heavy fall of snow on this long barren pass. Peter Goullart has spent the last 20 years in Shanghai, part of the time in connection with the American Express, and part of the time in connection with other enterprises. Leaving all these behind at some personal sacrifice he entered the Chinese Co-operative Adventure in West China and is on his way into Kham to see what can be done in improving Tibetan butter and incidently improving Tibetan stock.

On arrival in Tachienlu Mr. Goullart discovered several co-operatives working. One functioned under the name of the Government of Sikang, another under the auspices of the Central Government, and a third is known as the Kangting Co-operative Society. Related or unrelated there are other societies in the town with co-operation above their doors. There is a co-operative bank, a co-operative rice shop and a co-operative store. And Mr. Goullart found some difficulty in discovering the relation, if any, between these different societies. He will work in connection with the Sikang Co-operative Society which has established an experimental farm in Gada.

Mr. Goullart was born in Jaroslavitz and apparently grew up on a farm there. He has had experience in milking cows and knows how to make butter and cheese and other dairy produce. His object is to discover what is wrong with nomad yak butter and if possible to put it right.

There are two experimental farms alongside each other at Gada and both, so far, have failed to market a butter that meets with approval. And what is wrong with it has not yet been discovered nor explained. Some have ventured to suggest that the milking is wrongly done, others say the cans are not clean; still others blame the separator. The butter has a taste all its own and when one spreads it onto bread one doesn't feel like eating the bread. Mr. Goullart has a problem before him which he in no way fears to face or dreads to overcome.

No Modern Conveniences

This young Russian who lived in Shanghai with all its comforts and conveniences will find a decided change on the other side of the Zhara Pass. The pass itself lies alongside the Dapao and both are practically the same height. The Zhara, however, has a long stretch on the top and is not an easy pass to manipulate during the cold windy days of December or January. Some years ago a French priest was overtaken on this high pass and some of the company travelling with him called him the "son of a devil" for failing to bring a tent with him.

The scheme is to get as near the foot of the pass on this side, await a sunny day and make a dash for it. On the pass there is no habitation whatever so the traveller simply must get over or bivouac somewhere up in the snow. This is not Mr. Goullart's first experience along the Tibetan border. In connection with his work in the American Express he once led a party up on to the Kansu frontier. He has had considerable experience in guiding parties in different parts of the Republic and knows his China well. He has also had much experience in meeting Chinese officials and has acquired the happy art and knack of overcoming difficulties and obstacles in the distant interior with his exceedingly happy disposition.

The Sikang authorities gave him a very warm reception and have done everything to facilitate his adventure into Minya. They are anxious to secure a brand of yak butter that will meet foreign taste and if Mr. Goullart can show them how this can be done they will be under no small debt of gratitude to him. Though a member of the Central Government Co-operative Society the border administration has invited Mr. Goullart to be their guest during his stay out at the experimental farm. The young Russian is prepared to do all he can to produce not only more and better butter but more and better milk, cream and cheese.

Food Prices High In Tachienlu

The food situation has improved somewhat during the past few weeks here. Rice, cornmeal, wheat pork, wine, fruit and other commodities are reaching the city in large quantities, but the prices, for many people, are quite prohibitive. Rice has reached the appalling figure of $140 per picul and it is reported that the local picul is much smaller than that used on the plains. The poor people simply cannot afford to buy rice.

A few days ago the town crier went along the streets announcing that rice, cornmeal and dzamba would be sold in the Dordra lamasery at a much cheaper price than that sold in the shops, but the price was not very much lower—only a few cents.

Two or three years ago dzamba from the Tibetan grassland used to be a standby when the price of rice and cornmeal went up. The rise in the price of other things has naturally affected this also and now the Tibetan ground-barley is 25 cents per catty. And an ordinary workman will eat two catties of dzamba per day. Cornmeal is 35 cents per catty and rice is over 40 cents.

Charcoal, which is the fuel burned in most of the homes, is $17 per 100 catties and firewood has reached the alarming figure of 1,000 cash per catty. The local dollar changes at 25,000 cash and 25 catties of wood is not too much to burn in the cooking of three daily meals.

Over the Jedo Pass on the grassland, conditions are somewhat better. The dzamba is plentiful and there is no fuel problem as there the gentle yak provides all the necessary fuel in the shape of manure. Butter too is plentiful and this, with a heavy sheepskin, helps to keep the nomad warm. Food conditions may improve along the frontier but it hardly seems likely.

Anti-U.S. Campaign in North Prepared

Peiping, Jan. 9.

Interest is being shown in foreign circles here regarding the likely trend of events should the United States refuse to sign another trade treaty with Japan when the 1911 Treaty of Commerce and Navigation expires on January 26.

It is rumoured that anti-American posters have already been printed, and the possibility of an anti-American movement being started is not discounted.

In contrast, the anti-British campaign has practically died out. Britons are not meeting with any inconvenience whatever and the movement is now scarcely heard of locally.—Reuter.

German Monument in Tsingtao Demolished

Tsingtao, Jan. 9.

The action of the Japanese-sponsored municipal government in demolishing the well-known waterfront monument to Captain Paul Jaeschke has caused considerable comment in German and other foreign circles here. Captain Jaeschke was the first governor of Tsingtao under German occupation. He died in 1901.

His monument has been replaced by another honouring "The New Order in East Asia."

The new obelisk is more pretentious than the old, although less solid. It consists of an outer coat of worked stone over a core of rough stone and rubble, and bears a simple inscription in Chinese to the "New Order."

The unveiling ceremony takes place tomorrow, second anniversary of the establishment of the present local municipal government, according to the local Chinese press.—Reuter.

French Official Gives Money to Red Cross

Hankow, Jan. 9.

M. Louis Renaud, French Consul-General here, has donated $500 to the Japanese Red Cross Society, it was announced here today. The donation will be used to comfort wounded and ill soldiers.

M. Renaud has been transferred to Hongkong and will leave Hankow by plane on January 17.—Domei.

Sikang Situation Getting Worse

By Tibetan

Tachienlu, Dec. 20.

The situation throughout Sikang seems to be going from bad to worse. The Panchen's retinue at Kanze, nearly 2,000 strong, appears to have swept everything before it and now has control of Kanze and the surrounding district. Col. Chang with his brother, the magistrate, and their following, took refuge in the palace of Dehching Wangmo. Dehching made good her escape and report has it that Col. Chang lost his life—was killed or committed suicide. The Tibetans commandeered the garrison radio so it is now difficult to get authentic information from the seat of war. Serious fighting has undoubtedly taken place and hundreds have been killed and wounded

The Kangsar Lama, anticipating trouble when his sister, Dehching Wangmo, was arrested and confined as a prisoner in her own palace, made good his escape. He was a lama with very little brains but an embarrassing amount of gold so he thought that a pilgrimage to some convenient lamasery in another part of Lamaland would be advisable. West of Kanze there are numerous lamaeries and a big lama with lots of gold is always a welcome visitor. The Kangsar Lama like other big lamas along the frontier found it difficult to separate politics, religion, finance and business. Many of the large religious institutions throughout Sikang are now hotbeds of political intrigue with Lamaism becoming more or less part of the day's routine.

Trouble May Spread

Fear exists that the trouble at Kanze will spread to Nyarong, Derge, Dranggu and north to the wild Ngoloh tribes; and the question is being asked, has Lhasa and the Tibetan government any interest in the uprising? The fact that the Panchen's outfit is behind the disturbance in Kanze would lead one to believe that Lhasa has little or no concern in this wide spread movement throughout Kham. Again it is seriously questioned whether Lhasa would give its sanction to any wholesale slaughter of Chinese garrisons in eastern Tibet; and if not, what is the political significance behind the present Panchan uprising round Kanze?

Yeshe Dorje, like men all over the world, fell in love with the sweet face and charming figure of Dehching Wangmo and, apparently like some men in other parts of the world, was quite ready and prepared to die for the girl he loved. Dehching reciprocated his affections and it looked as if the day of royal weddings had not yet run their course in the Land of the Lamas. Dehching Wangmo being a Khamba was not permitted to marry a Dzangba, Yeshe Dorje, so the wedding arrangements came to a sad and sudden stop.

It was feared that Dehching with her lover Dorje might flee and marry in spite of the authorities; so she was quietly but firmly confined to her own palace, while her disappointed lover wandered about the Panchen's encampment thinking of ways and means of setting Dehching free.

Is therefore the present uprising in Sikang merely a local affair with Yeshe and Dehching as the leading figures, or are there deeper and more sinister designs behind the disturbances? If Dehching is now free, and Yeshe has kept control of his affections, and the Chinese have wisely removed the ban, there is no reason why they should not become husband and wife, for a time at least, and let the present trouble in eastern Tibet die a quiet and natural death. It may be that this will follow.

Desire for Revenge

Again things, however, may have gone too far. Reports persist that hundreds of Chinese soldiers have lost their lives and the Tibetans cannot expect that China will accept this state of affairs without doing something. The Tibetans know only too well and from bitter experience that China will come back—it may be slow—but she will come back and someone will suffer, innocent or otherwise.

The great lamaseries throughout eastern Tibet try persistently to maintain a neutral position as the wholesale destruction of their religious institutions means the dislocation of much that is known as Lamaism. And what interest can a celibate lama have in the love affair of Yeshe and Dehching? The Kanze lamsery has some 3,000 names on its lama roll and the destruction of this large institution would mean 3,000 men without a home and 3,000 potential brigands let loose to harass and menace the lucrative tea trade between China and Tibet. A peaceful settlement will mean much every way.

Japanese Control of Electric Plants

Shanghai, Jan. 14.

The electric business in northern China is now under the control of the Japanese, according to a Chinese report from Tientsin which indicates that practically all electric companies in that part of China have been brought under the control of the North China Electric Co., a new limited concern with a Japanese governor at its head, although financially it is capitalized both with Japanese and Chinese capital totalling $100,000,000. The new firm will be inaugurated on February 1.

It will operate electric concerns in Hopei, Shantung, Shansi and Honan and also in Peiping, Tientsin and Tsingtao. The big four electric companies in Tientsin, east Hopei, Tsinan and Chefoo have been amalgamated with the new firm. It is stated that it is also planning to take over the Peiping Electric Co., which had been a private concern for about 30 years. It supplies electricity throughout Peiping and suburbs.

While Chungking is trying its best to develop gold mines in provinces under its control, authorities in north China are equally determined to further this industry along the Great Wall. A power house is to be erected in Lochiatung and another one in Shifengkow for current for gold miners. It is also stated that a similar plant will be established in Huanghwachuan in the southern part of Jehol.

Mr. Tu Yueh-sen Victim Of Air Travel

Shanghai, Jan. 16.

It is reliably learned locally that Mr. Tu Yueh-sen, the former influential Chinese civic leader and banker in the French Concession in Shanghai, who has been more or less permanently residing in Hongkong since the Sino-Japanese hostilities, recently suffered serious effects of air travel while flying in a 'plane at an altitude of 25,000 feet in order to avoid attack from Japanese bombers engaged in bombing Kwangsi. Mr. Tu is now safe and well.

His 'plane was on a return trip from Chungking, where Mr. Tu had interviews with high officials there more than a week ago. When his 'plane was nearing Kweilin, Kwangsi, on his return air trip to Hongkong, there were 20 Japanese bombers in the sky flying slowly. Fearing that his 'plane might be the target of an attack, the pilot of Mr. Tu's 'plane decided to fly at such a high altitude that there was little air to breathe.

One Chinese report which stated that both Mr. Tu and Mr. Wang Shiao-lai, former Chinese civic leader in the Settlement here and also chairman of Chinese Chamber of Commerce and Chinese Ratepayers' Association, fainted in their 'plane and had to be helped out of the machine while landing was denied by a reliable Chinese source in Shanghai in close touch with the two civic leaders. It was stated that Mr. Wang did not accompany Mr. Tu on the flying trip and that Mr. Tu was not in a "state of coma" after he had been helped out from the machine. After one or two days' recuperation, Mr. Tu regained his good health and proceeded with his work as usual, it was stated.

50 U.S. Marines Transferred

Peiping, Jan. 14.

It is learned that fifty members of the United States Marine Corps attached to the U.S. Embassy Guard are leaving this morning for Chinwangtao en route for the United States after 30 months' service in Peiping. A replacement of fifty men are arriving tomorrow morning from the United States.

The report concludes that this movement is merely a routine transfer.—Reuter.

U.S. Ambassador to Visit Hankow

Hankow, Jan. 14.

The United States' Consul-General here intimated today that Mr. Nelson T. Johnson, American Ambassador, will arrive at Hankow on January 29 with Rear-Admiral Glassford. They will leave for Shanghai on February 1. Mr. Johnson will be the first ambassador to visit Hankow since the Japanese occupation.—Reuter.

Mr. Chen Li-fu, Minister of Education, left for Pingyueh, in Kweichow province, on January 14, where he will continue his inspection tour of various Chinese educational institutions, states a Kweiyang Chinese report to the "Sin Wan Pao." He will return to Kweiyang within a few days after which he will go to Chungking, the report states.

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NEWS FROM JAPAN

Admiral Yonai to Head Cabinet

Accepts Emperor's Command to Form Ministry After Resignation of Abe Government

Tokyo, Jan. 14.

ADMIRAL Mitsumasa Yonai, former Commander-in-Chief of the Japanese Third Fleet in Shanghai and thrice Minister of the Navy in successive cabinets, tonight was commanded by the Emperor to form a cabinet to succeed the Abe Government. This refutes earlier speculation that the Emperor would command General Shunroku Hata, outgoing Minister for War, to form a cabinet. If Admiral Yonai succeeds his cabinet will probably not have such an unhappy period of office as that of his predecessor.

Inheriting from the Konoye and Hiranuma Governments the task of further strengthening semi-totalitarian war economy throughout the country, members of the Abe cabinet displayed mediocrity and ineptitude, arousing increasing hostility among all classes—the capitalists, industrialists, bureaucrats, politicians and the masses. Faced with declared opposition among the majority of members of the Lower House, the Abe Government was forced to resign. A move to defeat the opposition by dissolution of the Diet would have obviously delayed the passage of the vital ten billion yen budget, while there were many indications that a general election would have resulted in a Lower House even more strongly opposed to the cabinet than the present house.—Reuter.

Tokyo, Jan. 14.

Admiral Yonai, who is now a member of the Supreme Military Council, was summoned to the Palace by Admiral Saburo Hyakutake, Grand Chamberlain, late this evening. Immediately upon arrival at 7.15 o'clock he was received in audience by His Majesty, who directed him to organize a Government. The high naval officer was understood to have accepted the command. He left the Imperial Palace at 8.05 o'clock.

Establishing his headquarters at the official residence of the Minister of the Navy on "Ministry Row" in the heart of the Capital, Admiral Yonai immediately plunged into his task of shaping a new Cabinet. Late tonight, sources close to Admiral Yonai announced that the Premier-designate had succeeded in filling various Cabinet posts as follows:

Navy—Vice-Admiral Zengo Yoshida, incumbent.

Foreign Affairs—Mr. Hachiro Arita, who held the same portfolio in the Cabinets of Mr. Koki Hirota and of Prince Ayamaro Konoye.

Mr. Sotaro Ishiwata, Minister of Finance in the Cabinet of Baron Kiichiro Hiranuma, would serve as Secretary-General of the Cabinet, it was further announced.

The Imperial summons to Admiral Yonai followed an audience granted by His Majesty to Mr. Kjrahei Yuasa, Lord Keeper of the Privy Seal, at 6.40 o'clock when the latter nominated the naval officer as a suitable successor to Gen. Abe. Mr. Yuasa was commanded by the Emperor this morning to select a suitable candidate for the Premiership.

Prince Saionji Assents

The Lord Keeper of the Privy Seal was understood to have sought an audience after being advised by his secretary, Marquis Yasumasa Matsudaira, that Prince Kimmochi Saionji, the last of the "genro" or elder statesmen, had approved the nomination of Admiral Yonai. Marquis Matsudaira left Tokyo at 2.23 o'clock this afternoon for Okitsu, where Prince Saionji's villa is located. He arrived at Shizuoka at 5.47 o'clock and proceeded at once by motor car to call on the aged prince. Having secured the assent of Prince Saionji to the nomination, Marquis Matsudaira was believed to have telephoned Mr. Yuasa to that effect.

Japan's third "war cabinet" tendered its resignation "en bloc" this morning ending a chequered career of four and a half months. Following an emergency meeting of his Government at 9.15 o'clock this morning, Premier Gen. Nobuyuki Abe, 65-year-old "general who never went to war", proceeded to the Imperial Palace at 9.45 o'clock when he submitted the resignations of the Cabinet to the Throne.

Received in audience by His Majesty, Gen. Abe was commanded to continue in office until his successor had formed a Government. The Emperor was understood to have sought the views of Mr. Kurahei Yuasa, Lord Keeper of the Privy Seal, regarding suitable candidates available as a Prime Minister in succession to Gen. Abe.

In a statement, the outgoing Premier attributed the Cabinet's decision to resign to a desire not to allow a possible delay in the conduct of Japanese state affairs to have "unexpected effects" upon the settlement of the China conflict, which, he said, had now entered its first stage.

While the members of his Cabinet had carried on their tasks diligently up to now, Gen. Abe said, "there is the fear that they may fail to reach a complete unanimity of views in the future execution of fixed policies in the methods for carrying on the administration."

Formed in the turbulent week that followed the conclusion of the Soviet-German treaty of non-aggression that formed the prelude to the outbreak of the Second European War, the Cabinet of Gen. Abe was confronted with the task of leading a nation confused in international outlook and troubled by increased economic ills at home.

The preceding Government, headed by Baron Kiichiro Hiranuma, resigned "en bloc" on August 29, assuming the responsibility of having directed Japanese foreign policy along

Admiral Yonai

a channel which could no longer be followed as a result of the Reich-U.S.S.R. pact. The Hiranuma Cabinet had favoured close ties with Germany and Italy to strengthen the anti-Comintern camp.

Quick Work

Gen. Abe succeeded in organizing his Government in one day, the Ministers being inducted into office on August 30. With the settlement of the China Affair as its cardinal policy, the new Government launched into its task with vigour, presaging well for its success.

On September 12, the creation of the Headquarters of the Japanese Expeditionary Forces to China was announced, while three days later, five months of sanguinary fighting on the border of Manchoukuo and Outer Mongolia was brought to an end by a truce negotiated in Moscow between Mr. Shigenori Togo, Japanese Ambassador, and M. V.I. Molotoff, Soviet Foreign Commissar.

The outbreak of war in Europe on September 3, caused the Government to impose stringent regulations on stock market transactions, while commodity prices, transportation and storage charges, rents, salaries, wages, insurance rates and processing charges were "freezed" at levels prevailing on September 18 to prevent "war boom" inflation.

American-Japanese relations came into the limelight when Gen. Abe asked Admiral Kichisaburo Nomura, retired, to resign from his post as president of the Peers' School to assume the portfolio of Foreign Affairs. Admiral Nomura, who took the post on September 25, was chosen avowedly because of his wide circle of friends in the United States, where he had resided for many years, while on duty with the Japanese Embassy in Washington.

Attention was further drawn to the strained relations between Japan and the United States on October 19 when Mr. Joseph C. Grew, American Ambassador, delivered a "from the horse's mouth" address giving his impressions of the feeling prevailing in America against Japan obtained during his furlough during the summer.

Domestic Problems

Admiral Nomura launched into negotiations with Ambassador Grew on November 4 with a view to readjusting the relations between the two countries in the face of the impending expiration of the American-Japanese Treaty of Commerce and Navigation of 1911 denounced by the Washington administration on July 27. A second meeting was held a month later, while on December 18, at their third interview, Admiral Nomura announced Japan's intention to reopen the Yangtze to international navigation up to Nanking. Efforts, however, to reach an understanding for the conclusion of a new treaty or a *modus vivendi* were abortive up to the time of the Abe Cabinet's resignation.

At home, nature conspired with increased demands upon national economy arising from the China conflict, to put the country's temper to a severe test. A severe drought in south-west Japan Proper and Korea caused a poor rice crop, brought an acute water shortage for industrial and power generating use. This, in turn, forced the use of coal to generate the necessary power, further reducing the available amounts of the black mineral for household use. The Cabinet on October 6 ordered a restriction of the use of rice for brewing purposes and directed rice mills to produce only partially polished rice.

Dissatisfaction with the Cabinet for its alleged "fawning diplomacy" towards the United States and the various prevailing internal economic hardships came into the open on December 26 when 250 members of the Lower House cut through party lines to stage a private meeting where a resolution of non-confidence in the Government was adopted. Gen. Abe minimized this outbreak, contending that it was not representative of the people's temper.

Crisis Was Inevitable

A Cabinet crisis, however, appeared inevitable on Monday when Gen. Shunroku Hata, Minister of War, was reported to have urged Gen. Abe to give serious consideration to a possible resignation of the entire Government. Events moved rapidly thereafter, leading up to today's action. In the last two weeks of its existence, the outgoing Cabinet passed upon the basic formula for a settlement of the China conflict by the conclusion of peace with a new Central Government of China to be created with Mr. Wang Ching-wei as its central figure.—

With two Governments come and gone in one year, Japanese industrial, commercial, financial, and agricultural circles today looked forward to the creation of a strong Cabinet with a promise of longevity. Unanimous was the demand for the reform of bureaucratic economic control by allowing the people to have a greater voice in the conduct of planned economy.

Because of the prevailing conditions at home and abroad, the need of control was conceded. However, it was pointed out, the manner in which the bureaucrats had managed matters had given rise to unnecessary friction and confusion. Many makeshift measures had been adopted by officialdom, who had failed to lay down far-sighted, long-range policies whereby they could have secured the co-operation of the people in carrying out their objectives.

Creation of a "jig-saw puzzle" cabinet of politicians with little understanding of economic affairs should be shunned, spokesmen for industrialists declared. Experts should be included in the Cabinet so that a truly national government may be created, they said. Greater emphasis should be placed upon voluntary control rather than arbitrary, bureaucratic administration, they stated.

While allowing a priority to military needs, Japanese industry was anxious to produce more goods for general domestic and overseas consumption which would alleviate a shortage of commodities at home and secure much-needed foreign exchange abroad, they declared. Measures to prevent vicious inflation caused by a scarcity of commodities were urgently required, these spokesmen added.

A prerequisite for the realization of these desires, it was pointed out, was a long-term stabilization of the political scene, by continued progress in the settlement of the conflict in China and the adoption of efficient diplomatic policies for a readjustment of Japan's external relations.

Agricultural circles bluntly blamed the downfal of the Abe Cabinet upon its failure to realize the importance of farming villages in maintaining a successful war-time economy. A new Government, they said, would have to take into account the part played by agriculture in supplying the foodstuffs necessary to the nation.

The adoption of determined and rational policies, which would be well understood by the people, who are anxious to help in their execution, was urged so that national co-operation may be brought about in its true sense.—Domei.

Prince Konoye Flatly Refuses Post

Tokyo, Jan. 13.

Prince Ayamaro Konoye, former Premier and now President of the Privy Council, this evening announced his determination not to accept the premiership again. He made his decision known following conversations with Gen. Shunroku Hata, War Minister, and the Premier, Gen. Abe.

"My conscience does not allow me to accept it," he stated. "In view of the nature of the present political change, a person like myself, who lacks knowledge and confidence in regard to economic questions, should not take up the task of disposing of the situation. Ability and confidence are the deciding factors, while mere courage or determination would never be sufficient.—Domei.

Australian Minister to Japan Welcomed

Tokyo, Jan. 13.

Appointment of an Australian Minister to Japan will pave the way for a better understanding between the two countries, the "Japan Times," an English language daily here, declared today.

Commenting on Australia's decision to name its first minister to Tokyo formally to establish diplomatic relations with Japan, the "Japan Times" stated that Australia's intention of stationing a minister in Tokyo had been known a long time and might have been realized earlier had not the outbreak of the European war delayed plans.

Relations between the two countries had been pleasant, but with formal diplomatic relations established, the ties between the two countries were expected to become much closer, the "Japan Times" stated.

In conclusion, the "Japan Times" declared that both Australia and Japan should show the world how truely friendly nations could get along and give no chance to any attempts that might be made to drive a wedge between the two countries.—Domei.

Japanese Broadcasting To Be Extended

Tokyo, Jan. 12.

Keeping pace with increased need for news on world events as the international situation does an hourly swing dance, the Japan Broadcasting Association, which is under the supervision of the Ministry of Communications, has decided to expand its field of reception to include the Near East and the antipodes this year.

Up to the present time one transmitting station of 50-kilowatt power has been the only broadcasting medium by short wave to Europe, South America, east and west coasts of North America, China and the South Seas, eight hours a day.

The new plan provides for the establishment of three 50-kilowatt and one 20-kilowatt stations, with additional broadcasts to cover the Near East, including Turkey, Syria, the western part of India, Central America, Hawaii, Australia and New Zealand.

Instead of operating on an eight-hour schedule, the daily broadcasts of the stations, including the present one, will be prolonged to 15 or 16 hours. Broadcasters will use Arabian, Italian, Malayan and Thai languages, besides the ones now employed, which comprise Japanese, English, German, French, Portuguese, Spanish, Chinese and Dutch.—Domei.

Greek Vessel Safe Off Japan Coast

Tokyo, Jan. 11.

The Greek freighter Victoria which yesterday sent out a distress signal was reported safe today after repairs were made to the vessel.

The S.O.S. was picked up yesterday by the Hakodate Radio Station in the Hokkaido and three Japanese vessels. The message said the vessel was in trouble 180 miles from Yokohama.

The Komaki Maru of the Kokusai Steamship Company and the Yoshu Maru of the Yamashita Steamship Company, both returning to Yokohama from the United States, changed their courses to go to the aid of the stricken vessel. The Nasu Maru, owned by the Nippon Salvage Company, was also dispatched to the scene from Hakodate.

In the meantime, the ship reported that temporary repairs had been made and the vessel and all members of the crew were safe.—Domei.

Tokyo, Moscow Discuss Trade Pact

Moscow, Jan. 8.

Formal negotiations for the conclusion of a commercial treaty between Japan and the Soviet Union were expected to start on Friday.

Preliminary arrangements for the talks were made during the past few days. Mr. Shigenori Togo, Japanese Ambassador to the Soviet Union, and Mr. Shikao Matsushima, Japanese Ambassador to Sweden who will assist in negotiations, held a conference on Sunday with M. A. I. Mokoyan, Soviet Commissar of Foreign Trade. The two Japanese diplomatic officials made a courtesy call on M. Viacheslav Molotov, Soviet Foreign Commissar, on Friday.—Domei.

Fisheries Modus Vivendi

Tokyo, Jan. 9.

The proposed fishery *modus vivendi* between Japan and the Soviet Union will be presented to the Privy Council for approval on Saturday, it was announced today.

Gen. Nobuyuki Abe, Premier Admiral Kichisaburo Nomura, Minister of Foreign Affairs, and Count Tadamasa Sakai, Minister of agriculture and Forestry, will explain the proposed treaty at the Council meeting. The Premier was also expected to talk on the adjustment of relations between Japan and the Soviet Union.—Domei.

Mexico May Act as U.S. Back Door

Tokyo, Jan. 12.

If the worst situation should develop following expiration of the trade treaty with America on January 26 there was a good possibility that Japan could continue to receive oil, scrap iron, raw cotton and other vital products from America by transshipment through Mexico, according to information received yesterday by the Osaka branch of the Commerce and Industry Ministry's Trade Board.

Commenting on the reports, the "Nikkon Kogyo" ("Industrial Daily") said: "The information must be reassuring at a time when the real intention of the United States is in doubt."

Mr. Herbert Beruiller, chief of the research department of the Trade Bank of Mexico, was credited with suggesting to the Osaka trade agency that Mexico might not be averse to assuming the role of go-between for American and Japanese commerce. According to the reports, the official in Mexico said there possibly would be a few minor difficulties in the way of such a plan but he expressed the view that these could be overcome without much trouble.—Domei.

Let the Spring Mosquito Bite You

Tokyo, Jan. 10.

Count ten before you slap the mosquito that buzzes around your head next spring, Dr. Tokushiro Mitamura urged today.

Dr. Mitamara, who is a member of the Infectious Disease Research Institute, said he had learned from a series of experiments that mosquito bites in May and June tend to make a person immune from encephalitis lethargica, more commonly known as sleeping sickness.

This disease, he said, takes a heavy toll every summer in Japan, the germs being present in practically all parts of Japan proper. The mosquito, he added, was the carrier.

In explaining his theory, he said that sleeping sickness germs in human body do not become poisonous enough to affect a person unless the temperature is between 26 and 30 degrees centigrade. If the temperature is lower than 26 degrees or higher than 30 degrees, the toxin in the mosquito is too weak to affect the human body. Therefore, repeated bites by mosquitos in May or June or at places where the temperature is greater than 30 degrees or lower than 26 degrees will make the body immune against sleeping sickness, the physician asserted.—Domei.

Mr. A. Tajiri Goes to Gaimusho Post

Tokyo, Jan. 11.

Mr. Akiyoshi Tajiri, First Secretary of the Japanese Embassy in China, was appointed Chief of the First Section of the Bureau of East Asiatic Affairs of the Foreign Office, it was announced today by the Foreign Office.

Mr. Suemitsu Kadowaki, Second Secretary of the Japanese Embassy and concurrently Japanese Consul in China, was appointed Chief of the Second Section of the Bureau of East Asiatic Affairs of the Ministry.—Domei.

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SHANGHAI NEWS

Sir Herbert Phillips Honoured

Shanghai Britons Pay Tribute to Consul-General Who is Retiring After Forty-two Years' Service

Shanghai, Jan. 11.

SIR Herbert Phillips, K.C.M.G., O.B.E., retiring British Consul-General in Shanghai, was honoured by a farewell dinner given him by the Committee and Members of the British Chamber of Commerce and China Association in Shanghai at the Shanghai Club last night. A large gathering of Shanghai Britons attended the dinner to bid farewell to Sir Herbert, who is leaving on Tuesday, January 16, retiring after 42 years in the British Consular Service. The departing Consul-General was lauded in speeches given by Sir Robert Calder-Marshall, Chairman of the British Chamber of Commerce, Mr. H. G. W. Woodhead, Chairman of the China Association, Shanghai Branch, and Mr. H. E. Arnhold, Chairman of the British Residents' Association of China.

Sir Robert Calder-Marshall said: One of the drawbacks to life in the East is that from time to time we are called upon to bid farewell to friends who for many years have been our associates and have become dear to us, and it is therefore with very mixed feelings that we meet here tonight, for though we are very glad to have you with us and are glad to have this opportunity of expressing our appreciation of all that you have done for British interests during your long sojourn in China, we naturally regret the occasion, your retirement from active service in China.

Those of us of the same vintage as Sir Herbert feel that he is retiring far too young, for as we of this vintage know, a man hardly reaches years of discretion until he is about 60. Of course there are many notable exceptions present here to-night, amongst others our friend Mr. George, on whose shoulders the mantle of Sir Herbert has so appropriately fallen and who will wear it with that dignity and sense of responsibility which has been such a marked characteristic of Sir Herbert.

There are very few here tonight who can claim as long a residence or as wide a knowledge of this country as Sir Herbert for he arrived here in 1898 and during the period of his service has, I believe, been stationed in or visited every consular post in China, while this period of his service covers the most interesting period of China's history up to date—the end of the old monarchy, the Boxer uprising, the Revolution, the rival Tuchuns, the gradual emergence of a modern state, the development of industry and communications, and the regrettable temporary destruction of the work of years through the Japanese incident of 1937.

During his long and distinguished career he has been in close touch with those movements which were gradually welding this great country into a nation and though for a time her progress appears to be impeded, I have faith to believe, faith which I think Sir Herbert shares, that China will emerge from her troubles a more homogenous nation than she was in 1937 and that her reconstruction will be on firmer and more enduring foundations.

Hardest Years

Though I think the past two years must have been probably the hardest and most difficult years in his career, I am confident that he would not willingly have missed the experience. When he arrived to take up his post the Idzumo was exchanging frequent greetings with Pootung, a circumstance not exactly conducive to steady work, but trained in a school of incidents, Sir Herbert characteristically got to work and acquainted himself with the details of the local situation. It was however when active hostilities passed from this area that his more arduous, exacting and exasperating work began, for claims, protests and representations necessitated many conferences.

Probably none outside the Consular Service understand or appreciate how difficult and how arduous is the work that has to be done by a Consular officer, often in his supposedly leisure time, for his normal working hours are frequently taken up by interviews with crochety merchants, irate shipowners or even ordinary peace loving but resentful civilians, all of whom expect the Consul-General to find a way out of their several difficulties and to secure redress for outraged dignity. Sir Herbert's diary would, I am sure, give a most interesting cross section of the past two years of discord, but though at times he must have been sorely tried, I am sure none of his importunate visitors left him without a realization that what could be done would be done, for we all know from our own experience that Sir Herbert never spared himself when he thought he might be able to assist a fellow national or protect British interests.

Sir Herbert's task not been an easy one and it is largely due to his patience and perseverance that some of the obstacles have been overcome and that we are able to regard the future of this city with a certain degree of restrained optimism. One of his colleagues of the consular body remarked to me a few days ago that Sir Herbert would be missed not only on account of his personality but because he could always be relied upon to stick up for foreign interests and make his voice heard. That is a tribute of which any man might be proud and it is for this and for similar service and for the great help and sound advice you have given us individually and collectively during your career that we and British commercial interests throughout China are deeply appreciative and wish to thank you.

Outside Service

I have referred to what we owe you in your capacity as Consular officer, but this is only one facet. With your many duties and responsibilities, you would have been justified in passing on what may be called outside service to others, but that has not been your way; you have taken and shown an active interest in everything concerning the welfare of the community wherever you have been stationed and have in particular naturally concerned yourself with the welfare of British organizations and activities. From personal experience I can speak of the keen interest taken by Sir Herbert in the organization and administration of the British Fund for Relief in China, known as the Lord Mayor's Fund, the Central British War Fund, the Cathedral Schools both Boys and Girls and by no means least the activities of the China Association and of the Chamber of which he is Hon. President. I have only mentioned a few of many and can assure you that your interest has been and is appreciated by all as we know how fully your time is otherwise occupied.

You are going to England to take a well earned rest, but we who know you well realize that soon after your arrival you will be anxious to get into harness and trust that you will find suitable harness awaiting you on the Committees of those organizations concerned with Chinese affairs, where your long and recent experience will be of inestimable benefit. Though you are leaving us we hope you will maintain contact with us and we know that you will use your ripe experience on our behalf when you reach home.

No eulogy can be too great for those who in the midst of so much that is sordid, material and poor thinking by their lofty thinking, by their noble acting and each duty well performed keep the torch of civilization burning and lead life on to higher and better things.

Mr. Woodhead Speaks

Mr. H. G. W. Woodhead said: We are gathered here tonight to do honour, and to bid farewell, to the distinguished member of H.M.'s Consular Service who for upwards of forty years in China, and for the past two years in Shanghai, has been under the instructions of his Sovereign to assume responsibility for "the good and more orderly government, and for the protection and encouragement of all British merchants and others of Our Subjects coming to trade or reside" in this country. While saying farewell is always a sad business, I feel myself fortunate in this respect. We are here not to bury our Caesar, but to praise him. This has been done so eloquently by Sir Robert Calder-Marshal, that I considered taking a somewhat different line. All of you have heard of the Advocatus Dioboli, whose function it is, in the Catholic Church, to bring forward all the weak points in the character and life of a candidate for canonization. I had thought for a few moments of assuming this role but I finally decided that the Advocatus in this instance would have a very difficult—or it depends upon the way you look at it—easy, job. He would in fact have had to enter what our legal friends would call a "Nolle Prosequi." So instead of attempting vainly to bring out any weak points in the character of our guest I propose to emphasize the high—I might almost say impossible—standard of perfection expected of members of the British Consular Service in China by their Government. Should Sir Herbert, in your judgment have failed to attain complete perfection according to these standards, you will, I think, agree that it is evidence that he is a very human being—and not a Saint.

Mr. Woodhead went on to refer to the duties and qualifications expected of a British Consular representative in China, quoting pointed references by the late Sir Edmund Hornby, and proceeded:

It is no exaggeration to describe the office from which Sir Herbert is retiring as one of the most important in the whole of H.M.'s Consular Service, and during his incumbency it has certainly been one of the most difficult. Any Officer who has held it with distinction may feel that he had fully justified his career. This gathering is, in itself, a sufficient tribute to the manner in which it has been filled by our guest. Though some five years junior to Sir Herbert in China I may, I think, claim to have known him longer than most of you here this evening. If I remember aright when I first met him he was performing the duties of Registrar and Chief Clerk of H.M. Supreme Court. The Chief Judges of those days, unlike the present genial incumbent, had the reputation of being somewhat peppery gentlemen, and I fancy that it was whilst serving under them that Sir Herbert acquired the tact and unruffled good humour that have characterized him in later years. It was while with the Court, also, that he first came into close contact with the Press, and I am sure I am only voicing the feelings of my colleagues in local journalism in expressing our appreciation of his approachability and frankness. We should regard Sir Herbert's impending departure with even greater regret were we not familiar with his successor, to whom we can look for the same sympathetic understanding and assistance. In supplementing the good wishes voiced by Sir Robert Calder-Marshall to Sir Herbert Phillips on his retirement, coupled with the hopes that it will not mean the end of his active life, I should also like to extend all good wishes to Lady Phillips, and the charming daughter, who has so ably officiated as hostess during her mother's absence. We wish everything of the best to the whole Phillips family, and especially: "To our noble Consul, wish we all joy and honour."

Mr. Arnhold

Mr H. E. Arnhold said: In my capacity as Chairman of the British Residents' Association, I have been asked to say a few words, but Sir Robert and Mr. Woodhead have, I fear, covered the ground so thoroughly that they have left little for me to say.

It is perhaps a fortunate coincidence that it has fallen to my lot to speak on behalf of the British Residents' Association as I have known Sir Herbert probably far longer than any of you. We were youngsters together in Hankow about 39 years ago. Our vocations have repeatedly brought us together during the intervening years, and I am therefore in a position to state most emphatically that he has always stood up for British interests and has always been willing to hold out a helping hand to his fellow nationals.

The British Residents' Association was formed chiefly to create wider interests in political affairs and to bring pressure on His Majesty's Government through a Special Parliamentary Group, and we can claim that our intervention has often been successful. Such action on our part has been frequently in aid of the Consul-General's efforts.

During the two and a half years that Sir Herbert has been here we have been faced with many difficult problems in the solution of which he has unstintedly given his assistance and advice. In what better manner can we show our appreciation than by assuring the future of this Association in which he has taken so keen an interest? Sooner or later, after the war in China is over, an economic blizzard will probably again strike Shanghai, when it will be difficult to raise the funds we require to maintain our London organization, which has so far only been possible owing to the generosity of many of those present here tonight. This situation may arise at a time when the future of British interests in China will be in the melting pot and when the necessity for maintaining our London organization will be of utmost importance. It is therefore advisable to make provision in advance on somewhat similar lines to those adopted during the last War, when an endowment fund was started for the British Chamber of Commerce which today provides its main source of income. I therefore propose to start an endowment fund for the British Residents' Association. This fund I would have liked to call "The Phillips Endowment Fund", but Sir Herbert thinks that this might be misleading to future generations, who might think that he had put up the money. My brother and I have decided to donate $25,000 which, when added to the balance of the funds handed over to the British Residents' Association when it was first inaugurated, will provide a sum of about £1,000 as a first step towards such an endowment fund. I hope it will be possible to bring it up to at least £5,000. I know that many are going through hard times, but there are many others who are doing well, and it is to these that I would make a special appeal in the hope, that they will not follow the example of the Scotsman who was leaving on a business trip and called back as he left home, "Goodbye all, and dinna forget to make lectle Donald take off his glasses when he is looking at naething."

In the name of the British Residents' Association, Sir Herbert, I wish Lady Phillips, you and your family many years of health and happiness in the Old Country, and I feel sure that whenever it is possible for you to do so you will put in a word to support the efforts of the three British associations which are bidding you farewell tonight.

Sir Herbert Replies

In reply Sir Herbert said:

It is with very mixed feelings that I rise to return thanks for the very kind way in which you, Sir Robert, assisted by Mr. Woodhead and Mr. Arnhold have proposed my health and for the manner in which you gentlemen have received the toast. I feel most deeply honoured at being the guest tonight of three leading British Associations at Shanghai, namely the British Chamber of Commerce, the China Association and the British Residents' Association and the memory of this evening will long remain with me. It is close upon 42 years since I arrived in Peking as a student interpreter. In that time I have seen many changes and I am not at all sure that those changes have been for the better. I am inclined to think that the old times were more pleasant and easier than the present. I do not propose, to refer in detail to political questions or to deal with commercial problems at any length, for I consider that it would take an extremely wise and far-seeing man to venture an opinion either upon current or future events in China. I do not feel inclined to pose as that wise man and I do not wish to fill the role either of an Isaiah or a Jeremiah.

My duties vis-à-vis the local British community during the past two years have been somewhat akin to the combined functions of a doctor and a nurse. As a doctor I arrived at the patient's bedside at perhaps the most critical period of a serious illness from which it was feared he might not recover. As a nurse I have been engaged in furthering the patient's convalescence and endeavouring to prevent a relapse to the former malady by warding off dangerous germs and other harmful influences. That he has already recovered a large measure of his strength is due, not so much to any professional skill of mine, as to an inherent vitality derived from his forbears, and to his own courage, tenacity and powers of recuperation, for which I have never felt greater admiration than in these last two years.

Recuperative Powers

Shanghai's powers of recuperation had already been strikingly exemplified following the Sino-Japanese hostilities in this area in 1932. I was not here at that time, but it is an eloquent commentary on the vitality of this city, which British brains and enterprise have been so largely responsible for building up, that only five years after that catastrophe, we were heading for one of the biggest business booms the British community here, as in other parts of China, has ever known. But it was not to be, and the cataclysm which overwhelmed this city in August 1937 was of far greater violence than its predecessor of 1932. Nor was it confined to the Shanghai area. The tide of war swept slowly up the Yangtze valley and gradually engulfed the rich producing areas on which this city is to a large extent dependent for its exports.

Today, the outlook is still obscure, but not by any means without hope. The effects of the European war on China and particularly on the position of British trade in this country, have still to make themselves fully felt, but it is not unreasonable to hope that China, if only peace can be restored in the Far East, will share in the business prosperity which neutrals usually enjoy at times when their belligerent neighbours are devoting a large part of their productive capacity to the manufacture of weapons of war, and that by this means she will go far to repair the ravages of the last two years.

My term of office as Consul-General at Shanghai has been the most interesting, if not the most thrilling, of my career and I am sure you can all readily understand what an enomous number of varied and difficult questions I have had to deal with during the last 27 months. I do not suppose that the Consulate-General has ever been in such close touch with the British commercial community before and this state of affairs is largely due to the many conferences and committees which have constantly been held both at the Consulate-General and the Chamber. We have in fact been like a band of brothers always working together for the national cause. It is a matter of great regret to me that I leave when much still remains to be accomplished and when important negotiations for the disposal of questions vital to the future of the International Settlement at Shanghai are in progress. You are all of you aware of the present negotiations for a settlement of the difficult problem of the western district which I hope may shortly bear fruit. There is, moreover, reason to hope that a solution of the question of the return of the northern district to the control of the Municipal Council will not be much longer delayed. I am at any rate sufficiently optimistic to think that political conditions here are more likely to improve than to deteriorate, always provided that the various parties concerned are determined to shew their good-will and that they have a genuine desire to promote international friendship in this great city. As evidence of this spirit, I am glad to think that an agreement has been reached during the past year providing for the resumption of work by the Whangpoo Conservancy Board. I need hardly emphasize the importance of this work to the future of this great port.

Efficiency Praised

I have no more than touched upon a few of the main questions which have occupied my attention but I would like to add how much I have appreciated being Honorary president of the British Chamber of Commerce. In this capacity I have from time to time attended your meetings and I have much admired the efficiency of your organization. It is with much regret that I am now on the point of severing my association with you and especially with your Chairman, Sir Robert Calder Marshal, who has always proved a tower of strength to me. I therefore welcome this opportunity of expressing my appreciation of the loyal co-operation and help I have always received from your members during my term of office in Shanghai. Without your guidance and advice over many difficult problems, it would have been impossible for me to appreciate your needs as fully as I hope I have been able to do.

I will now attempt to thank Mr. Woodhead, the Chairman of the China Association, for his amusing speech and for his very kind references to myself and to my family. In his usual eloquent style, Mr. Woodhead has described the varied duties and obligations of a consular officer in China. He has been more generous in this respect than the unkind critic, who once said of His Majesty's Consular Service that they are like the fountains in Trafalgar Square, which play from ten to twelve and two to four. I venture to think that this disgraceful libel has been effectively disproved by the events of the past two years, which, I can assure you, have been very arduous ones not only for me, but also for my most loyal and devoted staff.

No Commercial Pursuits

Mr. Woodhead has drawn your attention to the wording of the King's Commission given to Consular Officers. I would like to add to his information by pointing out that, among the instructions usually given to a Consular officer on his first appointment as Vice-Consul, is an injunction reading "you are restricted from engaging in commercial pursuits". You will appreciate that this must not be taken as constituting an official aspersion on the worthiness and excellence of such pursuits. It is designed rather to ensure that a Consular officer shall be able to act without bias on behalf of all interests which it is his duty to protect.

I have listened with much interest to Mr. Woodhead's remarks about the opinion of the the late Sir Edmund Hornby as to the study of the Chinese language and I am glad to have just received his assurance that he fully shares my view that the study of Chinese should still remain a most important part of the training of the British Consular Service in China, a service which has produced distinguished scholars in the past and which I hope will continue to produce them.

As Mr. Woodhead has pointed out, we have been friends for many years, and his learned description of a Consul's duties recalls to my mind many amusing experiences in a career which has been brimful of interest and which I find hard to give up. I am deeply grateful for the extremely friendly and generous tone which this distinguished British journalist has adopted towards me and the more especially since he is the Chairman of that well-known and influential body, the China Assiciation. His reference to my relations with the press gives me the opportunity to say how much I appreciate the marked and friendly consideration with which I have uniformly been treated by all its members.

Thanks to B.R.A. Chairman

I now approach the very agreeable duty of attempting to convey to Mr.

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"N.C.D.N." Photos.

Sir Herbert Phillips Says Goodbye to Shanghai

At an impressive ceremony, which was attended by members of almost every nationality in Shanghai on Jan. 15 Sir Herbert Phillips, retiring British Consul-General, was honoured before he leaves on Jan. 16 for England in the ss. President Coolidge, Sir Herbert is seen (top left) inspecting the East Surrey guard of honour and (top right) the Seaforth Highlanders detachment. In the lower picture (right) he is acknowledging the salute of the troops with Major-General F. K. Simmons, G.-O.C. British Forces in Shanghai. On the left is a section of the crowd which gathered to say goodbye to him. From left to right may be seen M. Baudez, French Consul-General; Mr. C. S. Franklin, Chairman of the S.M.C.; Mr. R. G. MacDonald, Mr. Poul Scheel, Danish Chargé d'Affaires; Mr. H. G. W. Woodhead, and Mr. C. E. Gauss, U.S. Consul-General and Minister-Designate to Australia.

H. E. Arnhold, Chairman of the British Residents' Association, how sincerely I wish to thank him for his testimony to the services which he considers I have been able to render to this Association and its members. It is with much pleasure that I listened to his speech. The British Residents' Association is becoming an increasingly active body and its close co-operation with the Consulate-General can, I am sure, prove very beneficial to both sides. As is well-known you have your own agents in London, and since the beginning of the present hostilities in China you have prompted many questions in Parliament which are naturally all calculated to keep the Government's interest in this country alive. At times you have anticipated my own representations by a clear margin, and I have been surprised to read in the newspaper a reply to a question asked in the House stating that the Foreign Secretary was expecting a report from His Majesty's Consul-General at Shanghai on this matter, when I had not at that time even considered making such a report.

I am in full agreement with Mr. Arnhold regarding the advisability of commencing an Endowment Fund for the British Residents' Association and I am most grateful for the compliment he has paid to me in wishing at one time to connect my name with the scheme. It will certainly strengthen the Association to possess a strong fund and I sincerely hope the scheme will meet with success. In this connection I would like to recommend that with the establishment of such a fund your Association should develop its activities not only at home but here in Shanghai. For instance, the question of regular financial assistence to British Schools in Shanghai is a matter of great importance and the only way of dealing with the problem satisfactorily in my opinion would be to create a sort of annual voluntary contribution for this purpose to be paid by British firms and British subjects. I make this suggestion as indeed one worthy of your consideration.

In thanking you all for wishing me and my family many years of health and happiness in the Old Country, I can assure you that I shall always do my best to continue whenever possible to support the efforts of the three British Associations which have entertained me so generously tonight. It is with great pride that I have listened to the speeches of all three Chairmen and this evening will always be a wonderful memory for me. I am naturally sad to leave China, especially Shanghai, where I have always felt that I enjoyed the sympathy of the whole community, both foreign and Chinese. Together we have managed to overcome many difficulties and I have greatly enjoyed my life here. The time has now come to say farewell and I say it with very great regret. Gentlemen, I thank you all most sincerely.

St. David's Society Meeting

New Committee Elected for Present Year ; Society's Finances Good ; Golf Matches Discussed

Shanghai, Jan. 16.

AT the annual general meeting of the St. David's Society which was held at the Metropole Hotel yesterday afternoon, Mr. J. R. Jones proposed that the annual ball which is usually held on March 1, should be replaced this year, by a dinner exclusively reserved to members of the Society and to which no official guests should be invited. In commenting on the proposition, Mr. J. A. Bonnyman, newly-elected vice-president for the present year, suggested that some of the members would welcome a bit of dancing after the dinner. Both suggestions, seconded by Mr. Eric Davies, were put to a vote and adopted unanimously.

At the beginning of yesterday's meeting, Mr. R. J. E. Price, the outgoing president, made his annual report. He stated that he had but little to say and did not desire to detain members too long over formal business as he felt that the annual meeting of the Society was primarily an informal social function.

Mr. Price encouraged members to take occasion of the annual meeting to come and talk with each other over a cup of tea. In referring to the Society's activities during the year which had just past, Mr. Price said:

Society's Activities

"March 1, St. David's Day, was celebrated with an impressive ceremony at the Cenotaph in the morning, followed by an extremely successful dinner and dance in the evening, when we had the opportunity of entertaining as a guest of honour, Sir Herbert Phillips, the retiring Consul-General, who leaves China for good.

"I attended as your representative the annual celebrations of the other National Societies, and I have also served during the year as your representative on the committees of the British Residents' Association and the Central British War Fund, and as the representative of all the National Societies on the Executive Committee of the last mentioned organization.

"There have been several new members, and numbers have been very satisfactorily maintained. In this connection you will be interested to learn that the active and paying membership of St. David's Society of Shanghai includes residents of Batavia, Johore, Hongkong, Chinwangtao and Tientsin. One of our members, Cmdr. Skyrme, has resigned on proceeding to England, where he proposes to resume active service with the Royal Navy, and others may be leaving for the same reason, though recruits are not being actively sought from China—in fact rather the reverse.

"I should like to take this opportunity of asking all of you who are Welsh and not members, to join the Society, and all members to urge their Welsh friends to join.

"A loss which has been deeply felt by the Society was sustained in the sudden death at an early age of Mr. G. P. Buttridge, a valued member of your committee, and I am sure all present sympathize most sincerely with his widow and children.

Few Charity Cases

"Calls on our charity funds have been few during the year as you will see from the accounts which in this respect and generally make a very favourable showing. Your committee decided to purchase sterling with surplus funds in view of the doubtful position of local currency, and I trust that you will approve their action.

"We have received during the year from our last president, Mr. Hopkyn Rees, a handsome silver goblet, a replica of the goblet presented to us by the Royal Welch Fusiliers, and a bell for use at meetings which is here on the table.

"In September, war broke out in Europe which either directly or indirectly has affected and is bound increasingly to affect all of us. I do not propose to enlarge on this subject but will express what I know you all feel: that this "patriotic society" as it is sometimes described, and all its members, will do everything possible for the assistance of the country in this immense struggle."

The accounts for the past year were then approved and passed.

Officers Elected

The next item on the agenda was the election of officers and a committee for the present year. Mr. Price proposed, and Mr. J. R. Jones seconded the nomination of Mr. T. S. Powell as president.

Mr. J. A. Bonnyman was elected vice-President (proposed by Mr. Powell and seconded by Mr. Jones); Mr. H. H. Thomas was elected hon. secretary; Mr. T. H. Gwynne, hon. treasurer; Mr. F. W. Thomas, hon. chaplain; and Mr. H. F. Prytherch, hon. auditor (proposed by Mr. Bonnyman and seconded by Mr. Eric Davies.)

The committee for the current year consists of the following gentlemen: Mr. O. G. R. Beynon, Major J. C. Corbin, Dr. E. F. Duck, Mr. A. J. Evans, Mr. T. J. Evans, Major Eyon, Mr. H. L. Gulston, Mr. W. E. Hughes, Mr. W. Miles, Mr. H. F. Prytherch, Mr. A. H. Samson and Mr. P. Watkin Williams (proposed by Mr. K. E. Newman and seconded by Major Eynon).

Major Eynon then brought up the subject of the annual golf tournament and said that he understood that Mr. Newman was handling all the arrangements. Mr. Newman in reply said that he had not heard of his nomination for this "post" and that he would rather see a younger man doing this work but that if no one would volunteer, he was quite prepared to make the arrangements again this year.

Mr. Newman's offer met with strong applause and hilarity reigned when he asked in return that at least ten players should turn up at each game, irrespective of how much or how little they knew about golf.

Before vacating the chair to the incoming president, Mr. Price thanked the members for the co-operation they had shown during his year in office and expressed the hope that the same good-will would be extended to Mr. Powell.

Mr. Powell, in return, thanked the members for the honour which they had conferred upon him by electing him the president of their Society. He praised the excellent work done by Mr. Price, and assured those present that he would do his utmost to maintain the same high standard during his tenure of office. He proposed a hearty vote of thanks to Mr. Price.

The meeting was then adjourned.

Pirates Get Nasty Surprise

Shanghai, Jan. 12.

Two would-be Chinese pirates yesterday were languishing in the guard-house of a Japanese naval detachment at Woosung after having been turned over, bound hand and foot, by their intended victims, the "Tairiku Shimpo" reported yesterday evening.

The unsuccessful buccaneers, the Japanese daily said, met a tartar in Chin Yun-tung, 50-year-old laodah of the junk Sanhohsing under charter to the Kiangnan Industrial Company of Tiendong and Woosung Roads, Hongkew.

Their downfall was attributed by the daily to an unsuccessful boarding of the junk on the Whangpoo below Kaochao in Pootung. Firing pistols, the two raiders boarded the junk from a sampan. The crew of the junk, armed with various implements of their calling, "counter attacked" under the leadership of the laodah. Before long the two "bad men" were laid out on the deck of the junk, tightly bound.

Handed over to the Japanese naval authorities, one of the pirates gave his name as Hu Ping-chen, 32, the Japanese paper said. He had in his possession $300.

The junk was on her way from the Chusan Islands to Shanghai with a cargo of sand.

Sir H. Phillips Says Farewell

Shanghai, Jan. 16.

Indicative of the high esteem in which he is held by all foreign communities in Shanghai was the farewell ceremony which was held in honour of Sir Herbert Phillips, H. M. Consul-General, on the Bund foreshore shortly after noon yesterday. Representatives of every Consulate in the city were present to pay their respects to the retiring British Consular officer and there was also a distinguished assembly of British and other foreign personages, as well as two guards of honour drawn from the British garrison in Shanghai.

Sir Herbert leaves Shanghai today in the President Coolidge on his way to England, where he will join Lady Phillips, after his retirement from the Consular Service in which he spent 42 years, all of them in China. The farewell ceremony took the form of those which have been staged in the past in Shanghai to bid farewell to distinguished officials—a parade of soldiers and a short chat with various friends before the departing official leaves the quayside in a launch.

Boards Launch

The arrival of the retiring Consul-General was heralded by the approach of eight Sikh troopers of the S.M.P. under Trooper Sergeant Mills, who escorted Sir Herbert's car to a position in front of the troops, where he was met by Major-General F. K. Simmons, G. O. C. British Forces in Shanghai, Major B. H. Ashmore and other officers.

As he alighted from his car, the British Consul-General was honoured by a general salute by the troops—a detachment from the East Surrey Regiment with band and Colours and a Seaforth Highlanders detachment with pipes and drums. To the strains of the pipes he was escorted along the ranks by Major-General Simmons and, his inspection concluded, he was again saluted by the soldiers.

Sir Herbert then walked across to where a large crowd of friends, representing almost every nationality in the city, had gathered to shake hands with him and to bid him farewell. Here he stopped for about fifteen minutes while the people filed slowly past him, before walking down to the pontoon to board the waiting launch. As the vessel slowly drew into mid-stream Sir Herbert waved his hand to the assembled crowd which did not disperse until he had disappeared from view downriver.

Among those present were Mr. A. H. George, H. M. Consul-General; Cmdr. L. Neyrone, Italian Consul-General and Senior Consul; M. M. Baudez, French Consul-General; Mr. C. E. Gauss, American Consul-General; Mr. Y. Miura, Japanese Consul-General; Mr. James P. Mee, Brazilian Consul-General; Mr. Poul Scheel, Danish Charge d'Affaires; Mr. K. E. A. Kronvall, Swedish Charge d'Affaires; M. Stanislas B. M. de Rosset, Polish Charge d'Affaires; M. P. Auge, French Consul; Mr. G. V. Kitson, H. M. Superintending Consul; Mr. H. H. Thomas, H. M. Consul for Japanese Affairs; Mr. J. F. Ford, H. M. Vice Consul; Mr. C. S. Franklin, Chairman of the S.M.C., Mr. G. Godfrey Phillips, Secretary and Commissioner-General of the S.M.C., Mr. R. P. Buttrick, American Consul; Mr. V. G. Bowden, Australian Trade Commissioner.

Major General F. K. Simmons, commanding the British Forces in Shanghai; Lieut-Col. R. A. Wolfe Murray, commanding the Seaforth Highlanders; Lieut. Col. G. E. Swinton, commanding the East Surreys; Col. W. J. Hornby, commanding the Shanghai Volunteer Corps; Capt. Cole, Acting Staff Captain; Paymaster Lieut.-Cmdr. R. P. M. Skinner; Major R. A. R. Neville, R. M.; Major C. J. Corbin (Welch Regiment), Brigade Major, S.V.C.; Major K. M. Bourne, Commissioner of Police; Mr. H. D. M. Robertson, Assistant Commissioner; Mr. E. C. Baker, Assistant Commissioner.

Judge Sir Allan Mossop, Judge P. Grant Jones; Sir Robert Calder Marshall, Mr. P. Massey, Mr. J. R. Jones, Mr. R. G. MacDonald; Mr. Hans Barents, Mr. John McNeill, H. M. Crown Advocate; Sir Frederick Maze; Mr. M. Snow, Brigadier-General E. B. Macnaughten, Mr. H. G. W. Woodhead.

Sir Herbert Phillips Farewell Luncheon

Shanghai, Jan. 13.

Sir Herbert Phillips, H.M. Consul-General in Shanghai, who is shortly leaving the city upon retirement, and Mr. A. H. George, H.M. Consul-General designate, were the guests of honour at a luncheon given in the Shanghai Club yesterday by members of the British Universities and Schools Luncheon Club.

Sir Herbert Calder Marshall presided and in a brief speech referred to Sir Herbert Phillip's long association with China. Other speeches were made by Mr. Z. C. Chen, Chinese Chairman of the Club, and by Sir Herbert Phillips and Mr. A. H. George, both of whom expressed their thanks to the British Universities and Schools Luncheon Club.

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SHANGHAI NEWS (continued)

Council Survey for 1939

War and Reduced Value of Chinese Currency Bring About Large Increases; Western, Northern Areas

Shanghai, Jan. 13.

IN its survey for the year 1939, the Secretariat of the Shanghai Municipal Council reviews the occurrences of the past year and to some extent mirrors the trials and tribulations through which this city passed in its second post war year. The outbreak of the war in Europe, the drop in the value of the Chinese dollar, the large influx of Jewish refugees, the failure on the part of the Council to effect a speedy return to its jurisdiction of Settlement areas North of Soochow Creek and many other questions are shortly reviewed.

While no conclusion was reached with the Japanese authorities towards the return of areas North of the Creek, the report states, the Japanese authorities have given increasing co-operation to the Council in its licensing powers. The restrictions previously imposed on the removal of goods from these areas have also been considerably reduced.

The serious situation which developed towards the end of the year as a result of the Special Municipality's police activities at road-intersections and along outside roads is also discussed at some length and, while negotiations were commenced, no favourable arrangement had been arrived at by the end of the year.

The report also refers to the increases in the price of staple foods during the summer, when maximum prices had to be fixed by the Council. Reference is also made to the proclamation issued in December whereby food hoarders and profiteers would be repelled from the foreign-administered areas. In referring to the fuel question, the report makes mention of the fact that all coal supplies have to be imported as a result of which the prices have been greatly increased particularly as a result of the low value of the Chinese dollar.

Refugee Situation

With regard to the Jewish refugees, the report states that by the end of June, their number had reached 10,000, and in August the Japanese authorities announced their intention of refusing to admit any further influx into Hongkew and nearby areas. The Council thereupon forbade further arrivals and steamship companies were duly advised. After consultation with the Japanese authorities, the Council issued regulations applicable to areas South of the Creek, permitting exceptions to the general prohibition of entry. Only 300 landing-permits were issued from then until the end of the year.

The flood situation in Shanghai is dealt with in the Survey to some detail. Reference is made to the Council's explanations given in November regarding this matter and, while it has been decided to refrain from spending the $800,000 which would be required to modernize the draining system, everything reasonable will be done in 1940 to improve the situation. As a result of this work it is expected that no unreasonable inconvenience will be caused by floods if the downpours do not much exceed the average.

With free access to the wharves in Yangtszepoo and Hongkew not having been attained as yet, the landing accommodation Scheme on the Bund, which had been instituted in 1938, continued to function though loading and unloading is prohibited between the hours of 10 p.m. and 5 a.m. except in cases of extreme necessity.

Pharmacy Licensing

The Council's scheme for licensing pharmacies in order to control the sale of drugs and poison, again had to be abandoned owing to the disturbed political situation and the difficulty during a time of financial stringency in meeting the heavy cost involved in a scheme of control that could be regarded as adequate.

Towards the end of the year, it was found necessary to increase educational fees in Council schools by 25 per cent., in foreign schools and 15 per cent., in Chinese schools. While daily admission tickets to public parks has remained unchanged, the price of season tickets was increased from $2 to $3 per month. This increase became effective on June 1.

The wide increase in house rentals was brought to the notice of the Council through the British Residents' Association but the Council was compelled to reply that it had no authority to fix rentals. Later, the General Chamber of Commerce agreed to undertake the formation of a Rental Adjustment Committee to which disputed cases would be submitted for arbitration. Both the Council and the French Concession authorities expressed themselves favourable towards such a scheme.

Cost of Living Statistics

Statistics of the cost of living, wages and hours of work, are being compiled by the Council commencing with 1939 and due to the large number of persons, with incomes below $1,000, who have volunteered to submit data on the subject, these statistics, it is expected, will be of considerable value.

Some child protection measures were also undertaken during the year under review, particularly with regard to small girls in domestic employment and in the control of others than near relatives.

The Council has also erected a monument for the men who fell during the Taiping Rebellion, 1862—1865. The remains of the dead were transferred from Nantao to the Hungjao cemetery and the monument was inaugurated during the year under review.

The voluntary entertainment levy which had been introduced earlier, remained in force throughout the year and an amount of $446,353.08 was realized. Disbursements for the last eleven months of the year, amounted to $380,869.79.

The construction of industrial establishments in the Western districts of the Settlement, previously considered residential, continued in 1939 although to a somewhat lesser degree than in 1938.

The number of Chinese refugees was further reduced from 50,000 to 33,000 and efforts will be continued to reduce this number as far as possible. Considerable trouble was experienced by the Council with regard to the establishment of coffin repositories within the residential districts of the Settlement. Repositories previously established were prevented from expanding while in one case an unauthorized extension was removed. The establishment of new repositories was also successfully checked.

The Council decided to issue long service medals to the Volunteer Reserve of the Shanghai Fire Brigade and this award will be made to members of the unit upon completion of 20 years' efficient service in the Brigade.

The Court of Consuls composed of Mr. C. E. Gauss, Consul-General for the United States (chairman), Sir Herbert Phillips, H. M. Consul-General and Mr. Y. Miura, Japanese Consul-General, heard two cases during the year. In the first case, the claim of an ex-detective sergeant who had been dismissed by the Council, was heard. It was ruled by the Court that the case should be reconsidered with a view to altering and modifying the punishment of dismissal. A second case of an ex-member of the Russian Regiment S. V. C. was also heard but judgment had not been given by the end of the year.

Mr. S. Fessenden, Secretary-General to the Council retired on June 30 and was replaced by Mr. G. Godfrey Phillips, Deputy Secretary with the title of Secretary and Commissioner-General. Major J. T. Ford, Treasurer and Controller of the Council retired on June 12 and was succeeded by Mr. J. M. Morcher, Deputy Treasurer, who was appointed Treasurer the following day.

Japanese Diet Members Call on Wang Ching-wei

Shanghai, Jan. 9.

Mr. Chozaburo Mizutani, Mr. Juso Mina and Mr. Shigeo Abe, members of the lower house of the Diet, called on Mr. Wang Ching-wei at his residence on Yu Yuen Road on the afternoon of January 7, the "Tairiku Shimpo" reported yesterday.

They represented the Social Mass Party of which they are members, and urged Mr. Wang, who will be the central figure of the new Central Government of China, to redouble his efforts in his peace movement, the paper said.

The Social Mass Party, the third major political party in Japan, voted last month to support the new Government in China. The three party representatives arrived in Shanghai by plane on January 5, the Japanese daily stated.

Official Statement on Phillips Attack

Shanghai, Jan. 10.

A senior official of the Shanghai City Government Police Bureau at 11-13 Jessfield Road informed Chief Inspector J. A. McFarlane of the S.M.P., in charge of Bubbling Well Station, that three men who attempted to assassinate Mr. G. Godfrey Phillips on January 6 had been arrested by the Chung Kuo Kuomintang and were being detained at the sub-station in Tsu Ka Koo Village and advised the S. M. P. officer that any further inquiries should be made at the Japanese Gendarmerie Headquarters at 94 Jessfield Road, it was officially announced by the Shanghai Municipal Council yesterday.

The full text of the announcement follows:—

In view of the numerous enquiries that have been received in connection with the recent attempt on the life of the Secretary and Commissioner-General and in regard to the arrests which are thought to have been made in connection with this attempt, it is considered desirable to issue the following summary based on police reports:

At about 8.50 a.m. on January 6, 1940, Mr. G. Godfrey Phillips, Secretary and Commissioner General of the Shanghai Municipal Council, was proceeding east along Avenue Haig in his motor-car, which was driven by his private chauffeur, and when about 100 yards west of Route Ferguson at a point immediately outside the Clove Garden Amusement Resort, one of two public rickshaws which were waiting on the north side of the road dashed across the road in front of the oncoming car. This caused the car to slow down and then the other rickshaw was pushed by its puller into the back mudguard and bumper of the car, and this caused the chauffeur to bring the car to a standstill. The puller of the second rickshaw was seen to pull out a Mauser from beneath his jacket and open fire. A number of shots were fired, eight of which hit the motor car on the left side, and the Arms Identification Section later discovered that at least three pistols were used. Neither Mr. Phillips nor the chauffeur was wounded, and on Mr. Phillips' instructions the chauffeur immediately drove away from the scene to Bubbling Well Police Station, the car only having stopped for a fraction of a minute.

Newspaper Coolie Eyewitness

A party of police was despatched to the scene, where one named Ngo Wu Zang, a newspaper delivery coolie, was located. This man stated he witnessed the crime and saw a male Chinese who was standing on the north footpath kneel down, produce a Mauser pistol and fire several shots at the car. As the car disappeared, two other male Chinese joined this man and all three ran east along Avenue Haig. A Chinese Detective Sergeant, who was making enquiries in the vicinity, ascertained from an employee of the Sin Sin Gambling House, which is located near the scene in the Tsu Ka Zah Village, that he had been informed by another employee of the same gambling house, that three male Chinese had been arrested by members of the Special Service Corps of the Chung Kuo Kuomintang, Anti-Comintern, National Salvation Army, in a straw hut at the rear of the gambling house and taken to a Sub-Station nearby. These three men were arrested in the act of discarding their clothing and each man was in possession of a Mauser pistol.

On receipt of this information the Chief Inspector in charge of Bubbling Well Police Station, immediately obtained an interview with a senior official of the Shanghai City Government Police Bureau, at 11-13 Jessfield Road, and conveyed to him the information in possession of the S.M. Police, requesting him to verify same. This official made several telephone calls and then informed the Chief Inspector that three men had been arrested by the Chung Kuo Kuomintang, Anti-Comintern, National Salvation Army in possession of pistols and were detained at the Sub-Station located in Tsu Ka Koo Village, and advised that any further enquiries should be made at the Japanese Gendarmerie Headquarters at 94 Jessfield Road.

Rickshaw Coolies Kidnapped

At 9.45 a.m. on January 6, two rickshaw coolies came to Bubbling Well Police Station, followed by another coolie at 11 a.m., and reported that at about 6 a.m. they were plying for hire with their rickshaw at various places in the Western District, when each was approached by a male Chinese who asked to be pulled to a lane on Jessfield Road, opposite the Yoong Ching Li. Here they were met by a number of armed men and were forced to exchange clothing with three of them and were then taken to a nearby teashop and detained there by two men armed with Mauser pistols. Shortly after 9 a.m. they were released and told that they would find their rickshaws on a piece of waste ground at the rear of the teashop. Not finding the rickshaws they reported the case to Bubbling Well Police Station.

Three rickshaws had been found by the Police, abandoned at the scene of the crime, and on these three coolies being shown these they identified them as their rickshaws.

During the afternoon of January 6, Mayor Fu Siao-en called on Mr. Phillips to express his sympathy and congratulations on his escape, and informed Mr. Phillips that he had received information by telephone during the morning from the Shanghai Special Municipality Police that the men concerned had been arrested.

During January 6 and 7 the Special Deputy Commissioner and Headquarters Crime Branch made repeated requests for the handing over of these three prisoners at Japanese Gendarmerie Headquarters, Bridge House, and at 12.30 p.m. on January 7, Crime Branch Headquarters were informed by Major Hayashi and Major Fugino that no arrests had been made in connection with this case.

Japanese Version Of Shooting

Shanghai, Jan. 12.

Denying persistent reports that the assassins of Mr. Godfrey Phillips, Secretary and Commissioner-General of the Shanghai Municipal Council, had been arrested, Japanese gendarmerie authorities here last night issued a lengthy statement on their investigations, in which they alleged that the false rumours were circulated for the purpose of "embittering relations between the Japanese and the Council."

The statement of the gendarmerie disclosed that a gang of armed robbers had been seen in the vicinity of the Avenue Haig spot where Mr. Phillips was attacked Jan. 6. There was no proof, the statement said, that members of this gang, who were seen at about 8.30 o'clock 500 metres from the place of the shooting, were the same gunmen who attacked the Council official 45 minutes later. Japanese gendarmes had gone out to arrest the robber gang and the statement indicated that this might have caused confused reports about arrest of the assailants of Mr. Phillips. The statement declared that a view of the Council that the assassins and robbers were members of the same gang was a "careless contention." If the culprits actually had been seized the Japanese gendarmerie would willingly and promptly have handed them over, the statement said. It was plain, the statement charged, that the rumours had been "intentionally fabricated."

The statement in full follows:

"While negotiations have been progressing smoothly between the Special Municipality of Shanghai and the Shanghai Municipal Council since the end of last year, toward settlement of the much confused administrative and policing problems of the Extra-Settlement district of Western Shanghai, aided by the sincere attitude of the Municipal Council, there came a shock not only to the Special Municipality but to the Japanese authorities in the attack on Mr. Godfrey Phillips, Secretary and Commissioner-General of the Shanghai Municipal Council, by ruffians in broad daylight Jan. 6.

"The outrageous act was indeed a malevolent one, and this detachment is energetically endeavouring to arrest the culprits.

"It is extremely regrettable that directly after the incident rumours were circulated in the Council and on the street alleging that the culprits were in custody of the Japanese gendarmerie and that the Japanese were wilfully denying this while refusing to hand them over to the Council. Such rumours are still widely heard even at present as if they were true, much to the surprise of this detachment.

"Should such important criminals have been under detention by this detachment, this detachment would not hesitate willingly and promptly to hand them over to the Council, irrespective of legal questions involved in such handing over. It would act with the intention of bettering the already improving relations between the Council and the Municipality, thus providing assistance to the Council.

"In the belief that such rumours simply cause deterioration of the relations between the Japanese and the Council, as well as international relations, this detachment thought it fitting to make public its own findings in the investigations conducted since the incident."

The Japanese Gendarmerie then reviewed the facts of the case as known to them. —Domei.

MR. C. Godfrey Phillips, Secretary and Commissioner-General of the Shanghai Municipal Council, conferred for one hour with Mr. Fu Siao-en, Mayor of the Special Municipality of Shanghai, at the latter's official residence on Scott Road on January 11, Domei learned on January 12. Their discussions, it was understood, constituted a continuation of the negotiations regarding the policing of extra-Settlement roads in western Shanghai.

Peace Negotiations A Step Forward

Shanghai, Jan. 13.

Successful conclusion of peace negotiations with a new Chinese central government would constitute a constructive step towards establishment of peace in China, even though the authority of the proposed Wang Ching-wei régime would not extend at once to the "far confines of China," a Japanese Embassy spokesman declared yesterday in replying to a question at a press conference regarding what Japan intended to gain from peace talks with Mr. Wang.

The questioner pointed out that Japan was not fighting Mr. Wang's armies, consequently peace with the Wang régime would not be effective.

The spokesman amplified his statement, pointing out that conclusion of peace with the Wang régime would signify restoration of peace in such areas as were within the Wang régime's jurisdiction.

The spokesman emphasized that Japan was not in a position to direct Mr. Wang to negotiate with Chungking, as such would interfere with China's independence and administrative integrity, which Japan repeatedly undertook to respect.

Fusion Not Well Regarded

He said Japan naturally would welcome restoration of peace with the whole of China, but pointed out that Japan could not "look with equanimity" upon a movement such as one for fusion of Chungking and a new Chinese government unless the former discarded anti-Japanese and pro-Communist policies which were blamed for the present unhappy situation.

Such a qualification would not constitute interference with China's independence, inasmuch as Mr. Wang's movement was directed towards friendly Sino-Japanese relations and anti-Communism, the spokesman stated.

Declaring that he was not a soothsayer, the spokesman declined to indicate which means would be used by Mr. Wang for extending authority of his proposed government in the event Chungking should remain as at present.

Plans for New Peace Army Reported

Shanghai, Jan. 12.

A movement to organize an "Anti-Communist and National Salvation" army has been commenced by parties connected with the peace movement in China according to the "Central China Daily News," organ of Mr. Wang Ching-wei. Guerillas and others who are not at present in sympathy with Mr. Wang's peace ideas may be incorporated in the new army which will support the new Central Government, it is reported.

According to Chinese sources, many units of the new army are being organized in the outskirts of Shanghai, one unit being reported stationed in Chinese territory near Great Western Road. Other units are said to have been formed in the interior, notably in Soochow, but the new recruits are still waiting for pay-day.

The peace army in the Shanghai-Woosung area will be under the command of the highest authority in the new government according to a notice which appeared in the "Central China Daily News." This notice was issued by the "Shanghai Garrison Headquarters" of the new army. According to the "Sin Shun Pao," Mr. Wang has given his support to the Peace and National Salvation Army in Kwangtung which is commanded by General Li Chuan-yung, former Vice-Chairman of the Peace Maintenance Committee in Kwangtung.

Attack on Mr. Phillips Caused by Chungking?

Shanghai, Jan. 11.

The Japanese Army spokesman at yesterday's press conference voiced a personal opinion that the attack on Mr. G. Godfrey Phillips, Secretary-General of the Municipal Council, was instigated by Chungking agents as also were the subsequent troubles arising from the act.

He stated definitely that the Japanese military police did not have the alleged assailants in custody. They were investigating what seemed a canard and when these investigations were completed the findings would be made public. It seemed to him that the reports were based on a wrong telephone message.

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Gauss Named for Australian Post

Washington, Jan. 9.

Mr. Clarence E. Gauss, United States Consul-General at Shanghai, was nominated the first United States Minister to Australia by President Roosevelt last night, after the establishment of formal diplomatic relations between Australia and the United States.

Mr. Gauss is 53 years of age and is one of the oldest members of the Foreign Service Corps in point of service. He began his career in 1907 when he was named Deputy Consul-General at Shanghai. Mr. Gauss was made Consul-General at Shanghai December 5, 1935, and has served in that capacity since.—United Press.

Greatly Pleased

Shanghai, Jan. 10.

"I am greatly pleased and much honoured to receive the nomination as the first United States Minister to Australia," Mr. Clarence E. Gauss, American-Consul General in Shanghai, told the "North-China Daily News" shortly after he had learned that he had been nominated for the post of American Minister to Canberra by President Franklin D. Roosevelt yesterday. Mr. Gauss said that he had received no official news of his nomination and that the only reports he had seen were press dispatches.

"I have always had the greatest interest in this Pacific nation, one of the great commonwealths of the British Empire," said Mr. Gauss. "There has always been a strong bond of friendship between Australia and the United States and I shall do what I can to strengthen these cordial relations between the two countries. Of course, I shall be sorry to leave Shanghai where I have many friends among the Foreign, American and Chinese communities, this regret is only natural but it is tempered by the fact that I will be going to the land down under."

President Roosevelt's nomination of Mr. Gauss for the important post of Minister to Australia must be confirmed by the United States Senate before it is official. This confirmation, however, is merely a matter of routine legislation. Until the Senate confirms his appointment Mr. Gauss will not receive official notification of his promotion. He has no idea who will be chosen as his successor, although some circles here predict that Mr. Frank Lockhart, former Counsellor to the American Embassy in Peiping, will receive the appointment as U. S. Consul-General here. It will be recalled that Mr. Lockhart was acting Consul-General in Shanghai during the recent visit of Mr. Gauss to Manila.

May Go Home

Mr. Gauss has no idea as to when he will leave Shanghai to take up his new post in Canberra. He pointed out that it may be necessary for him to visit the United States before going to Australia in order to arrange for his staff. It is fairly certain that none of the American Consular staff now serving in Shanghai will be transferred with Mr. Gauss as it has not been the custom of the State Department to transfer personnel with each department head.

The nominee for the appointment as Minister to Australia has served in the diplomatic service since 1906 and first came to China in 1907. Mr. Gauss has never been to Australia and is eagerly looking forward to a visit to the country. During his career he has served several years in Washington and for a year was Counsellor to the Embassy and Consul-General in Paris. This is his fourth term of duty in China. During his China service he has been Counsellor to the Embassy and Charge d'Affaires in Peiping and Counsellor to the Embassy and Consul-General in Shanghai.

Acid Placed in Pile of Chinese Newspapers

Shanghai, Jan. 13.

An attempt was made yesterday morning to destroy 2,000 copies of the "Chinese-American Daily News" as they were being transported in a rickshaw from the newspaper's offices at 160 Avenue Edward VII to be distributed to readers.

Shortly before 7.30 o'clock someone placed a tube containing sulphuric acid among the bundles of papers in the rickshaw, and then disappeared. The damage was discovered as the vehicle was moving and it was taken to Central Police Station, where the coolie was questioned. No one was arrested.

The "Chinese-American Daily News," which is American-registered but printed in Chinese, last July was the scene of an attack by armed men who threw hand-grenades and fired Mauser pistols.

BY SAPAJOU

Mr. Clarence E. Gauss

U.S. Consul-General in Shanghai who has been appointed the first American Minister to Australia.

Rice Hawkers Appear On Streets

Shanghai, Jan. 10.

Rice hawkers have made their appearance in Shanghai and the news is welcomed by many poor people who may obtain their daily quota of rice from these hawkers at prices cheaper by few dollars as compared with those prevailing in the Shanghai Rice Market. Although in a small way, these hawkers do help to remedy the serious rice situation here, it will be interesting to watch as to whether or not their business will be so prosperous as to enable them to rival with rice shops.

Unlike other hawkers, these retail rice dealers have no definite places to sell their grain usually contained in small bags. They wander in streets waiting for customers to approach. They buy their rice from neighbouring districts at cheaper prices and in small quantities and carry them to foreign areas on bicycles or on foot. It is learned that they seldom receive the attention of the authorities in occupied areas using the pretext that they are carrying the rice to their own homes for consumption.

The Rice Distribution Committee, a subsidiary of the Shanghai Foodstuff Readjustment Association, has now definitely decided to district about 30,000 bags of "ground" Saigon rice and real Saigon rice commencing January 18. One hundred shops have been appointed to distribute the cheap rice but each person is allowed to purchase only $1 worth of the grain. Six and a half catties will be sold for $1.

The Shanghai Union of Philanthropic Bodies is sponsoring the distribution of Chinese puddings in the evening near Race Course Road commencing last night. About 5,000 such puddings made of rice will be given free to the poor but each person is to receive two or four each weighing about four ounces. The same philanthropic body was recently responsible for establishing a beggars' camp at 330 North Fokien Road. It is reported that the second beggars' camp will soon be established.

Straw Huts and Chinese Factories in Ruins

Shanghai, Jan. 12.

Approximately sixty straw huts and twelve wooden structures used as weaving factories were reduced to ruins yesterday morning by fire in a village situated off Jessfield Road, east of St. John's University. No-one was injured but many of the hut-dwellers were forced to flee for their lives.

The fire started at about 8 o'clock and burned out of control for nearly an hour. Settlement firemen from the Bubbling Well, Ichang Road and Sinza Stations, as well as Zaukadoo firefighters, went to the scene and extinguished the flames. Some 400 persons were made homeless, but this time there were neither deaths nor injuries as a result of the conflagration.

Two men were being treated for extensive burns yesterday after a fire which almost destroyed a gate-house at the intersection of Edinburgh and Yu Yuen Roads, between 11 o'clock and midnight on January 10.

Concession Rates Increased

Shanghai, Jan. 11.

The French Concession Budget for the fiscal year of 1940 having been increased to $16,800,000 from $11,988,000 for 1939, important changes in taxation, licensing and other means of revenue had to be made to cope with this increase which was caused mainly by the depreciation of the Chinese currency, the increased cost of imported materials and last but not least, the increase in freight and insurance rates on such imports, the "North-China Daily News" learns.

Far-reaching changes have thus become effective as from January 1 particularly in the method of land taxation and licensing of certain business and other establishments. In order to facilitate the collection of the land-tax, the Concession has been divided into three sectors:

Sector I: Which extends from the Bund to Boulevard de Montigny, where the existing land-tax of eight per thousand will continue to prevail;

Sector II: From Boulevard de Montigny to Route Père Robert and Route des Soeurs, where the new tax will be nine per thousand; and

Sector III: all areas west of Route Père Robert and Route des Soeurs, where the new tax will be ten per thousand.

To these taxes, must be added the surtax of one per thousand which has already been effective for some time.

Rates on rentals have been increased from 13 per cent., to 15 per cent., to which must be added the already existing surtax of 2 per cent. making 17 per cent.

Adjustments have also been made in licence fees of most commercial establishments in keeping with the prevailing cost of living while, in order to distribute the need for income which the Concession requires for its functioning more evenly among the residents, an ordinary professional licence has also been created and is required as from January 1.

Motor car and other vehicle licence fees have not been increased though it may be expected that this will be done in co-operation with the Shanghai Municipal Council soon as the budget for the new fiscal year will have been approved by that body.

The defence surtax which was instituted two years ago, will remain in force.

New Fire in Squatters' Area Razes 500 Huts

Shanghai, Jan. 13.

Yet another conflagration in a squatters' settlement destroyed a reported 500 straw-huts yesterday evening off Singapore Road, near Kiaochow Road. This is by far the largest fire in a straw-hut colony on record this winter, but, according to reports, there were no casualties.

Although the blaze was in territory outside Settlement limits, the Settlement Fire Brigade attended and fought the flames for nearly three hours. The alarm was received by the Fire Brigade at 5.53 p.m. and the firemen were at the scene until 8.42.

It is estimated that well over 2,000 poor Chinese were rendered homeless by the fire.

The Zaukadoo Fire Department also fought the flames. A large amount of hose was necessary to reach the scene from the hydrants available.

British Wireless Regulations

Shanghai, Jan. 12.

Important regulations bearing on wireless transmission by British subjects, and issued under the signature of Sir Archibald Clark Kerr, H.M. Ambassador to China, were publicly exhibited at the British Consulate General in Shanghai yesterday.

Headed "King's Regulations made under Articles 209 and 212 of the China Order-in-Council, 1925: No. 4 of 1939: The Wireless Transmission (Control) Regulations, 1939," the regulations read as follow:

1. In these regulations "Ambassador" shall mean His Majesty's Ambassador in China and shall include Chargé d'Affaires or other chief diplomatic representative.

2. No British subject or corporation shall, without the authority of a written licence granted by the Ambassador, operate, or assist in, or provide any facilities for the operation of any telegraphic or telephonic wireless transmitting apparatus,

3. (1) The Ambassador may issue any licence under these regulations upon and subject to such terms, conditions and restrictions as he may think fit, and may in his discretion at any time suspend, or revoke any such licence.

(2) Every licence shall be in such form and for such period as the Ambassador may determine, and shall contain the terms, conditions and restrictions on and subject to which the licence is granted.

The Penalties

4. Any British subject or corporation who or which contravenes the provisions of Section 2 of these regulations or fails to comply with any of the terms, conditions or restrictions on and subject to which any licence is issued hereunder, and every director, manager, secretary, and other officer of such corporation who is knowingly a party to the contravention or default, shall be guilty of an offence, and upon conviction shall be liable to a fine not exceeding £50 or to imprisonment with or without hard labour for a term not exceeding three months, or both.

5. In any prosecution of a director, manager, secretary or other officer of any corporation for an offence under Section 4 of these regulations, the proof that the offence was committed without his knowledge or consent shall be on the defendant in such prosecution.

6. If in any prosecution for a contravention of Section 2 of these regulations it shall be established to the satisfaction of the Court that the defendant in such prosecution was, at the time of the offence charged, in the possession or control of

(a) any wireless transmitting apparatus, or
(b) any article designed for the purpose only of being used for the operation of a wireless transmitting apparatus, or
(c) any type of apparatus designed to be used also as a wireless transmitting apparatus or readily adaptable for the purpose of being so used:

then and in every such case the proof that he has not contravened these regulations shall be on the defendant in such prosecution.

7. In any prosecution for a contravention of Section 2 of these regulations, it shall be a defence for the defendant in such prosecution to prove that, at the date of the offence charged, application had been made (for the first time) for the required licence in relation to the apparatus in respect of which the offence is charged, and that the application was still pending at that date.

8. Any licence authorised under these regulations to be granted by the Ambassador may be granted by anyone authorised in that behalf by the Ambassador, or, in the absence of the Ambassador from the Consular District of Shanghai, by the Senior Diplomatic Officer for the time being in charge of His Majesty's Embassy at Shanghai.

9. These regulations may be cited as "The Wireless Transmission (Control) Regulations., 1939"

Fire Causes Damage in Lumber Yard

Shanghai, Jan. 12.

Considerable damage was caused late last night as a result of a fire which broke out in a lumber yard in Yangtszepoo Road near Tunglang Road. The fire, the origin of which was not known, suddenly broke out at about 10.30 p.m. and in a short time three engines were rushed to the scene of destruction from the Yangtszepoo Fire Brigade. As fire fighters were still busy at work late last night the extent of the damage could not be known.

Some Chinese dwellings in Avenue Haig near Hungjao Road were destroyed or badly damaged last night in another fire attended by the Settlement Fire Brigade.

Objections to Asia Realty Co. Plan

Shanghai, Jan. 9.

The plan of reorganization of the Asia Realty Company, Federal Inc., U.S.A., remained unconfirmed yesterday as objections to the plan were received by Judge Milton J. Helmick from three parties in the United States Court for China yesterday morning. Those objecting were Mr. M. Speelman, representing a group of debenture holders; Mr. N. F. Allman, representing a group of debenture holders and preferred shareholders; and Mr. J. B. Davies, representing the Trustee for the debenture holders. Mr. M. P. Walker, on behalf of unsecured creditors totalling five lakhs, approved the plan of reorganization. The hearing was adjourned to allow the objectors to file a new plan of reorganization.

Under the plan of reorganization which was filed on December 9, and which was subject to confirmation by Judge Helmick yesterday, the tangible assets of the Asia Realty Co. were purchased by Messrs. F. P. Bills and George Bourne, who agreed to pay into the company $1,745,000 in cash as new capital in exchange for new common voting shares of the company. Upon confirmation of the plan two years' interest in arrears would be paid to the debenture holders. Outstanding debentures amount to $5,958,321.67. The debenture trust deeds provide that the company shall put up additional security in the event that the aggregate value of the security held by the trustee for the debenture holders falls below a certain amount. The plan suspends this provision of the trust deeds for a period of three years provided the company shall make semi-annual interest payments.

Shareholders' Rights

The rights of all present stockholders of the company, including preferred shareholders, would be deemed extinguished under the plan. Shares would be considered cancelled and shareholders would have no further claim against the company. Loan certificate holders and other general unsecured creditors of the company, whose claims amount to $3,016,184.55, would receive 35 per cent. of their claims, calculated as of June 6, 1935, in complete discharge of their claims.

The plan was filed in the United States Court for China on December 9 by the Trustee of the company, Dr. George Sellett. Dr. Sellett, however, later received indications that another person or persons desired to make a higher offer under the plan and consequently on December 27 this new offer was made before Dr. Sellett in the U. S. Court. Meanwhile, the original offerers, Messrs. Bills and Bourne, appeared in court on the same day and outbid the new offerer by raising their original bid from $1,650,000 to $1,745,000 at which price they were awarded the tangible assets of company, subject to confirmation by Judge Helmick.

Yesterday's hearing was adjourned in order to allow the debenture holders time to file a new plan of reorganization. Should the plan be filed before January 15 the hearing will be resumed on that date, if not it will be further adjourned until not later than January 29.

Evidence of Assets

Jan. 16

Since last week's hearing in the United States Court for China, in connection with the reorganization of the Asia Realty Co., Fed. Inc. U.S.A., following the sale of the assets of the company to Messrs. F. P. Bills and George Bourne, Mr. George Sellett, Trustee of the estate of the company, filed a motion pursuant to the consent of the buyers, whereby the suspension of the three year period, as contained in provision 3 of the reorganization plan, is deleted.

Provision 3, reads as follows:

Immediately upon confirmation of the Plan the two years' interest in arrears on Debentures will be paid. The outstanding Debentures amount to $5,958,321.67. The Debenture Trust Deeds provide that the company shall put up additional security in the event that the aggregate value of the security held by the Trustee for Debenture holders fals below a certain amount. The Plan suspends this provision of the Trust Deeds for a period of three years, provided however, that during said period the company shall make semi-annual interest payments in full on due dates.

Judge Milton J. Helmick heard the case and Mr. N. F. Allman represented a group of objectors to the previously submitted plan, from among the debenture holders and preferred share holders.

Yesterday's hearing, which lasted almost the whole day, was taken up mostly by evidence given by Mr. George Sellett and Mr. W. A. Adams, on the company's assets.

The hearing was then adjourned until January 22, when Judge Helmick will settle all matters submitted until then.

MESSRS. Harvey's Shipbuilding Works Ltd. have received the order to break up H.M.S. Mantis, sister ship to H.M.S. Bee which they broke up about one year ago.

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SHANGHAI NEWS (continued)

Foreign Sergeant Shot In P.O. Yard

Shanghai, Jan. 11.

Probationary Sergeant Duncan E. Crank, aged 23, was shot and seriously wounded at noon yesterday, while he was trying to compose a trouble which had developed between two factions of coolies in the Central Post Office compound. At least two pistol shots were fired, but only Crank was injured. The wounded policeman was taken to the General Hospital in a Fire Brigade ambulance, and it was found that the bullet had entered his abdomen, traversed the liver and lodged near the back. An emergency operation was performed last night.

Coolie trouble developed in the Post Office, which has been the scene of many recent disturbances, shortly before noon yesterday. The opposing factions were Post Office coolies, on the one hand, and workmen of the Far Eastern Sanitary Co., contract cleaners in the building, on the other. The bone of contention was the supply of hot water to the two sides.

As the argument grew more excited, the "Fesco" foreman came into the loading compound in an effort to settle the dispute. He soon realized, however, that he would not be successful and communicated with Mr. Peter Baur, F.C.I., the Chinese general manager of the company. Mr. Baur hurried over from his office in the Central Arcade.

Fires Shot Into Ground

Mr. Baur soon found himself in the midst of the fray, with angry coolies shouting and milling about him. He says he was threatened by some of the workmen, and he drew a pistol, for which he has a Settlement licence, and fired a shot into the ground. The bullet, of .25 calibre, was later found by the police.

As the shot rang out, Prob. Sgt. Crank and a Chinese constable, who were stationed at the North Soochow Road entrance owing to the threats of labour trouble since a recent strike, ran into the compound and saw the large crowd of excited coolies. Crank, followed by the C.P.C., made his way to the centre of the disturbance and started questioning Baur. The latter admitted he had fired a shot and informed the foreign policeman that he had a pistol licence. Crank asked him to produce it.

It is believed that Baur still had his pistol in his grasp in an outside pocket and that he drew that hand into view at this juncture. At any rate, the Chinese constable fired a shot from his .38-calibre service pistol at this time, and he later reported to his superiors that yet another shot was fired by someone else almost simultaneously. Crank slumped to the pavement, wounded. He was taken to the General Hospital in an ambulance.

Baur was taken to the West Hongkew Police Station, where his pistol was examined. Detectives, in searching the Post Office compound, discovered only two cartridge cases, one of .38 and the other of .25 calibre. Statements were taken from a number of witnesses.

Prob. Sgt. Crank is a member of a large and widely known Shanghai British family. His mother, four brothers and four sisters are here, while a fifth sister resides at Kuala Lumpur, Federated Malay States. One of the brothers also is a probationary sergeant in the Settlement Police.

Two Charged

Jan. 12.

Two persons, C.P.C. 1289 and attached to the West Hongkew Police Station and Peter Pao, manager of the Far Eastern Sanitary Company at 341 Szechuen Road, who are alleged to have each fired a shot during a heated dispute between two groups of workers in the Shanghai Post Office on January 10, were brought before the First Special District Court yesterday and held on a writ of detention pending further investigations. Hearing will be held on January 18.

It was revealed in court that both of the detained persons had fired a shot during the confusion in which Prob. Sgt. Crank, of the S.M.P., was seriously wounded. The bullet extracted from the foreign sergeant is being carefully examined by experts in order to fix the responsibility of the shooting. It was stated by the Municipal Advocate however, that after Peter Pao had fired a shot at the ground when workers were quarrelling he was caught by Crank and, suspecting that he might try to break away, the constable fired a shot which accidentally wounded his foreign superior. Peter Pao was armed with a licenced pistol and was about to hand the weapon over to the foreign officer when the unfortunate affair occurred, it was stated.

The wounded foreign sergeant was last night described as "satisfactory," although still serious. He is in the General Hospital, where on the evening of Jan. 10 the bullet was removed from his back. He had a few visitors yesterday but he was not considered sufficiently strong as yet to give a statement concerning the shooting.

Post Office Accepts Japanese Money

Shanghai, Jan. 16.

While the Chinese press has voiced disapproval of the new regulations enforced by the Shanghai Post Office governing the purchase of postage stamps with Japanese currency or military notes, asserting that this has not been approved by the General Post Office in Kunming, the Shanghai Post Office and all branches of the Post Office in occupied areas commenced to accept Japanese currency and military notes yesterday.

Commencing yesterday, Japanese currency and military notes can be accepted by the Post Office in occupied areas only for buying postage stamps and in all such dealings the exchange rate is fixed at one Yen for $1.25 in Chinese currency. In other words, Chinese currency is counted less in purchasing postage stamps. The radiogram office in Jinkee Road has also nnounced its acceptance of Japanese currency.

While it is asserted by the Chinese press that the action taken by the Post Office here has not secured approval from the General Post Office it is learned that the new regulation is a result of negotiations between the foreign commissioner here and Japanese officials of the Shanghai Post Office and that it applies to occupied districts only. It is explained that people in Hongkew who are apt to use Japanese currency may do so in the Post Office. The report that the Japanese money is accepted in all other occupied areas in Central China was confirmed yesterday.

Authoritative quarters explained that acceptance of the Japanese money was chiefly prompted by the increase in postage charges for air mail destined for Japan. It was said that formerly a letter destined for Japan by air would cost 35 cents only but now 44 cents when the rate is changed into Japanese currency.

With all branches of Post Office in occupied districts using Japanese currency and military notes, Japanese authorities have now obtained another big source of pushing the circulation of military notes the value of which is placed above that of the Chinese dollar. New military notes brokers have appeared near the Szechuen Road bridges asking people to have their Chinese currency changed into Japanese military notes, the only medium of exchange allowed in trains and buses operated in occupied areas.

Bearn Apartments Change Hands

Shanghai, Jan. 13.

It was reliably learned yesterday that the Bearn Apartments at the corner of Avenue Joffre and Avenue Dubail were sold to Chinese interests in Hongkong about ten days ago. While the actual sales price of the large property could not be ascertained, it was believed that the price paid by the buyers was in the vicinity of $2,500,000. The name of the buyers could not be ascertained.

British Army Still Holds Six Chinese

Shanghai, Jan. 13.

On December 4 lost, the British military in Shanghai arrested six Chinese, four of whom were armed. These six men have been detained in military custody after being handed over by the Shanghai Municipal Police on December 6. They are still detained. As a result of investigations, and on the admission of the prisoners, four of them are members of an organization known as "The Armed Police Headquarters" situated in Zau Woo Kying.

Every opportunity has been allowed the leader of the six prisoners, one Ching Kwei Ying, to communicate with his superiors or those in authority over him. Despite frequent requests from the prisoners for assistance in obtaining their liberty no action has been forthcoming.

It is now over five weeks since these men were imprisoned. The appeals have been made to one "Han Chun," reported to be the commander of the Armed Police Headquarters, and to a personage known as "Poh Kong," but without success. No one has yet approached the British Military Headquarters on the subject. The families of these six men are anxious to obtain their liberty and it is presumed that those who were responsible for placing these men in their present position will take some steps to secure their release.

Irishmen Gather at Annual Meeting

Shanghai, Jan. 11.

Loyalty to the British Empire was the keynote of the annual meeting of St. Patrick's Society which was held in the Board Room of Jardine Matheson & Co. at 5.30 p.m. yesterday. The meeting was called to order by the formidable rapping of the traditional shillalah on the table by the President, Mr. W. G. Clarke, who read the report of the doings of the society for the year 1939. Before proceeding with his annual report the President asked all the members to rise as a mark of respect for those members and persons close to the society who had died since the last meeting.

In his report Mr. Clarke said that during the year the seniority of the various societies in Shanghai had been discussed and it had been established by a perusal of the files of the "North-China Daily News" that the first meeting of the St. Patrick's Society had been held on March 17, 1873. A letter from Mr. R. G. McDonald of St. Andrew's Society revealed that a search of the achieves of that society had disclosed the fact that at the meeting of St. Patrick's Society on March 17, 1874, a shillalah, presented by St. Andrew's Society, had hung upon the wall. This shillalah, Mr. Clarke said, had been smashed at some later meeting.

Dwelling on the question of the status of Irishmen in Shanghai during the present war, Mr. Clarke said that the position of Irishmen in Shanghai today is the same as it was in 1873 when the toast was to Queen Victoria. He pointed out that the Commander of the British Forces in France, Lord Gort, was an Irishman and said that thousands of Irishmen were on the job today, all ready to do their bit when called upon. "We may be the second in seniority in Shanghai," he said, "but we are second to none in loyalty to the British Empire."

Election of Officers

Following the address by the President the election of officers was held. Mr. Clarke was unanimously re-elected to the post of President, while Mr. A. J. H. Carey received a similar vote for the office of Vice-President. Mr. Carey will continue in his capacity of Hon. Secretary in addition to being Vice-President. Last year's committee, consisting of Messrs. E. F. Hardman, P. T. Carey, P. A. Corbett, T. Murphy, R. E. O'Bolger, C. C. O'Connell and B. K. Wallace were unanimously re-elected, while Messrs. W. J. McDermott, E. Heenan and Dr. D. J. Collins were also elected to serve on the committee.

Discussions as to how St. Patrick's Day should be observed this year took place and it was decided, in view of the times, that there would be no ball. Several members were in favour of holding a concert at the Lyceum Theatre on Saturday, March 16, the proceeds of which would go to the St. Patrick's Society and the Central British War Fund. Others favoured a St. Patrick's Day tiffin or dinner at the Shanghai Club. This question will be gone into more thoroughly by the members of the committee.

The meeting closed with "God Save the King."

Japanese Not to Have Egg Monopoly

Shanghai, Jan. 11.

Spokesmen at yesterday's press conference denounced certain erroneous reports appearing both in English and Chinese language papers to the effect that the M.B.K. would continue to have an egg monopoly. The firm, although the biggest purchasers of eggs from the Yangtze, had no intention of creating a monopoly.

Negotiations, not concluded as yet, stated the spokesmen, would permit all traders to purchase, transport and dispose of their products. The rules and regulations appertaining thereto had not been established, it was stated.

A Shanghai pool might be established, the spokesman concluded, intimating at the same time that the M.B.K. might join the London pool.

Egg Purchasing on Yangtze Delta

Shanghai, Jan. 13.

With regard to the issue of permits for foreign buyers of eggs in the Yangtze Delta, the Embassy spokesman at the press conference yesterday retracted a previous inference that the Japanese authorities would issue such documents. Permits would have to be obtained from an association, he stated, but their effect would be much the same as if they had been issued by the Government.

Regarding restrictions, he added that the authorities could not permit foreign buyers to proceed far inland to make their purchases.

Burglars Invade Doctor's Home

Shanghai, Jan. 11.

Dr. Wm. Malcolm, American doctor attached to the Asia Life Insurance Co., had a trying experience on January 9 when a group of clumsy burglars literally crashed their way into his home at 244 Hungjao Road about 9.25 p.m. The doctor and Mrs. Malcolm had retired for the night at 9.15 p.m. and when they had been in bed for about ten minutes they were startled by a terrific crashing and breaking of glass downstairs.

In spite of his advanced years Dr. Malcolm jumped out of bed and descended the stairs to the living room where he heard sounds of someone moving about. As he neared the living room he heard someone say in Chinese "Telephone," presumably the thieves were searching for the telephone in order to disconnect the instrument.

"Who's there?" called out Dr. Malcolm. For a moment there was silence, followed by two ominous clicks which sounded as if pistols were being cocked. Here the doctor thought discretion the better part of valour so he withdrew to call the servants. Eventually the servants were rounded up and, armed with pokers and sticks, they advanced upon the living room only to find that the marauders had fled.

Broken Lock

Investigation revealed that the burglars had forced their way into the garden of Dr. Malcolm's home by breaking the lock of a bamboo gate which led into the garden. Then they prowled around to the front of the house where the glass enclosed verandah faced the garden. Entry to the house was obtained by the simple expedient of breaking the glass of the French windows and tramping into the living room.

Evidently the thieves had made no effort to hide their presence in the house and were relying on the terrific racket they made to scare the occupants of the house into lying low while they gathered in the loot. The appearance of Dr. Malcolm in the living room as they were about to commence operations, however, must have alarmed them so they fled without stealing anything.

The doctor reported the affair to Bubbling Well police station and a party of Shanghai Municipal Police arrived on the scene to be followed by a detail of Japanese gendarmerie. The police conducted an investigation on the spot, examining the premises for clues. Dr. Malcolm said that he was sure that the burglars were "well heeled" and is still congratulating himself on the presence of mind he displayed when he heard the two clicks in the living room.

Mollers' Buy Bund Site for £75,000

Shanghai, Jan. 10.

Completing one of the biggest real estate deals in recent years Messrs. Mollers' Ltd. have purchased a block of property at the corner of Avenue Edward VII and the French Bund from the International Savings Society for £75,000, the "North-China Daily News" learned yesterday. The property bought by Mollers' is the old building housing Wheelock & Co., the Shanghai Tug & Lighter Co. and several other offices at No. 2-3 French Bund.

Chamber Retains Right To Property

Shanghai, Jan. 11.

Foreshadowing serious legal dispute between the Chinese District Chamber of Commerce in Shanghai, which is still loyal to Chungking, and the new Chinese authorities in Greater Shanghai who, it is alleged, have taken over the former premises of the former, Chinese reports state that the Chamber has issued a public notice declaring that any private transference of the ownership of the Chamber building, its adjoining library, emporium and all movable property inside in North Soochow Road will not be effective without the Chamber's consent.

It is recalled that since the withdrawal of Chinese troops from Shanghai areas the Chamber premises have been occupied by new Chinese authorities. It is alleged that movable articles in those buildings have been moved out by some people trying to sell them and that buyers are ready for the business. It is further alleged that the buildings are being vacated so that a new official organization may move in.

Armed Robbers Activities

Shanghai, Jan. 9.

Surprised by a party of police, who turned out from Sinza Station after an alarm had been raised, a gang of robbers who had staged a hold-up in Tsang Ka Zah Road yesterday afternoon, were seized after one of their number had been killed by police bullets and one wounded.

The robbery occurred in the vicinity of Avenue Road and an alarm was raised before the gang, four in number, had left. On reaching the street they found the police party awaiting them and a gun battle ensued.

In the firing one robber was shot down, fatally wounded, while a second man fell to the ground, wounded. The other two were captured without any trouble by the police. Two pistols were seized. The police party was under the command of Insp. J. E. P. Blenkinsop, Officer-in-Charge of Sinza Station. All the loot which the robbers had seized was recovered.

Robber Challenged

A Chinese police constable challenged an escaping thief yesterday morning before daylight, in Kiaochow Road near Wuting Road, and when the suspect failed to stop, the policeman fired his pistol at him. It is not believed, however, that the man was wounded.

Big Haul

Shanghai, Jan. 11.

Large amounts of cash and other property were taken in two robberies in the International Settlement yesterday morning. At 7.40 o'clock a gang of over ten Chinese obtained loot worth $5,000 at 1032 Chengtu Road, and escaped. A few minutes later another band got $600 in cash at 4646 Seymour Road, in the Pootoo Road police district. Both gangs were armed, but no shots were fired.

Russian Woman Shot in Concession

Shanghai, Jan. 12.

A Russian lady was shot twice by robbers and seriously wounded last night in the French Concession when four men, two of whom were armed, tried to steal cash and valuables from her and her husband. The gunfire attracted the attention of the police who took up the chase, resulting in one of the gunmen being arrested. He implicated the house boy of the victims as the instigator, and so the latter was also taken into custody.

The daring crime was committed at about 8 p.m. when Mr. and Mrs. C. Brozdunoff had just returned to their second hand goods store and home at 364 Rue Bourgeat. The husband had gone upstairs when four intruders broke in. He resisted and there was a struggle in which he was knocked down with the butt of a pistol by one of the armed men. Realizing that it was a dangerous job, the men were coming down when they met the wife.

She was ready to close the store and when she saw the men, she raised an alarm. The bandits fired several shots, two of which wounded the woman in the arm and abdomen. She was later taken to the Russian hospital in Route de Say Zoong. Meanwhile the French police chased the men for a long distance, finally succeeding in arresting one armed man. The others escaped empty handed.

Foreigners Robbed

Shanghai, Jan. 13.

Bubbling Well Station detectives were yesterday investigating an armed highway robbery which took place near Farren's night club in Great Western Road on January 11 and the victims of which were two German emigrants.

Mrs. L. Guenzbuerger and Mr. H. Hartmann were the couple robbed by two Chinese one of whom threatened them with a pistol. The robbers seized Mrs. Guenzbuerger's handbag containing a cigarette case and other valuables. No shots were fired, and the men escaped. The time of the hold-up was 8.30 o'clock. The value of the loot was set at $400.

Shortly before midnight the same evening, a Chinese pedestrian disarmed an armed robber who sought to take his money in Shanse Road near Foochow Road. The robber escaped but the pedestrian turned over a small Mauser pistol to the police.

Russian Catches Robber

Shanghai, Jan. 15.

A Russian tramway-inspector, Mr. P. W. Golenpolsky, pursued a partly armed gang of Chinese robbers on the evening of January 13 and recovered the loot which had been taken by the bandits.

At 9.30 p.m., four Chinese held up a Chinese couple in Race Course Road at pistol point and stole the man's winter overcoat. The victim of the robbery raised an alarm and the Russian tram inspector who was in the vicinity chased the bandits, apprehending one man and retrieving the stolen overcoat. The arrested robber will be brought before the First Special District Court today.

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IN THE RUSSIAN COLONY

By "STROY"

Shanghai, Jan. 12.

Returned from long leave in Europe, Dr. N. N. Kuznetsoff gave some of his impressions to the Russian press. Dr. Kuznetsoff met Russians in Italy: there are more than two hundred emigres living in Rome, and a hundred in Florence, among them the well-known journalist B. A. Suvorin, at one time working for newspapers in Shanghai and Harbin. Mr. Suvorin asked the doctor to give his best regards to friends in Shanghai, adding that the five years he spent in this city form the happiest memory of his life in emigration. There are only three Orthodox priests in Italy. In Barri, the resting place of the revered remains of St. Nicholas the Miracle-Worker, Father Andrei told Dr. Kuznetsoff that the income of funds for the church has stopped completely.

Previously church matters were attended to by Prince Zhevakhov, former Vice Chief Procurator of the Holy Synod in St. Petersburg. In Rome there are no special premises for the church, and it is housed in a building donated by a Russian lady who for many years has lived in the Eternal City. Russians enjoy a free life in Italy, as the authorities have a sympathetic understanding of their position. In Yugoslavia there are at present only 25,000 Russians.

About twenty years ago Russians took part in the construction of new buildings and the laying of new roads, but at present the demand for Russian labour has decreased. Near Belgrade, in Panchevo, there is a large Russian hospital headed by Dr. V. A. Levitsky. Among the staff of this hospital, great popularity is enjoyed by the brilliant Russian surgeon, Dr. V. N. Novikoff.

Russian Charitable Home

The Russian Charitable Home has celebrated the tenth year of its existence. On this day its spacious premises were filled with guests. Bishop John and Bishop Juvenalius conducted services in which other members of the clergy took part. In his speech, Bishop John stated that the Charitable Home is at present one of the best charitable institutions in the colony, and does tremendous work in aiding those who are prevented by age or sickness from earning their own livelihood. The initiative for founding the Home belonged to two Russian businessmen: Mr. V. S. Tsepkin and Mr. N. A. Vansonovitch. Following the serving of tea, Mr. Tsepkin gave a short report of the activities of the Home during the ten years of its existence. Baroness Guene, the Honorary Treasurer, gave an account of the receipts and expenditures of the Charitable Home. Many leaders of the colony, headed by Mr. Charles Metzler, were present at the reception.

With the exception of America, Shanghai, after the outbreak of war in Europe, remained the only city in the world publishing books in the Russian language. In spite of the rise in the cost of paper, books on all branches of science and literature continue to be printed—this in addition to the four daily newspapers and the weekly magazines also being published in the Russian colony. The monthly magazine, "Russian Annals,' has been the only casualty claimed by the war in Europe.

X'mas in the Colony

Russian Christmas in the colony was celebrated according to tradition. Special services were held in the churches on Christmas Eve. Christmas Day was spent by most at home, especially in homes with children, as Russians count Christmas primarily a holiday for children. Prior to the appearance of the Star of Bethlehem, the first large star to appear in the heavens on Christmas Eve, no one conserving orthodox customs touched food. Then Christmas trees were lighted for the second time, as many Russian children are educated in foreign schools, and in such homes foreign Christmas is celebrated as well as the Russian one. On Christmas Eve it is customary to put hay under the tablecloth. Special dishes like kutia and uzvar are served. But there was a dearth of wheat this year, poppy seeds were also very hard to procure, so that it is improbable that these traditional dishes were prepared according to the real recipe.But repasts were plentiful, and where there was no Christmas goose, the hostess offered excellent duck, fried with apples. On the first day of Christmas some children went on their koliadka—paid visits to houses and sang Christmas Carols in Russian fashion. Those who received their presents on the foreign Christmas found nothing in their stockings on Christmas according to the Russian calendar, but to some Grandfather Frost, the Russian equivalent of Father Christmas, gave something on their holiday as well. On the first day the Russian Club held a reception at which mutual congratulations were tendered by members and representatives of the colony, and to which members' families and guests were invited.

Poor Not Forgotten

Donations towards Christmas festivities were generous. The Emigrants' Committee gave $520 to various organizations for Christmas trees and presents. The Charitable Home, the Refuge for Aged Men, the Refuge for Aged Women, the St. Tichon Zadonsky Orphanage, the St. Olga's Orphanage, the Union of Russian World War Invalids—all these and other charitable organizations received generous donations from many parties. Mr. S. I. Osipoff donated $120. Mr. G. Kirlian gave $250. There were many other donations so that the colony's orphaned and poor did not feel themselves forgotten this year. In all orphanages and schools Christmas parties were held on the first and second days of Christmas. The Russian Club held a party in conjunction with the Russian Women's League. On January 8 the school founded in the name of Pirogov held a party in conjuction with the Sokol club. Mmes. Metzler, Lembich, Jaspar, Altadukova, Sarmanova and Bebikova organized a party in the St. Olga's Orphanage. The St. Tichon Zadonsky Orphanage threw a party on January 9, its Christmas tree being donated by the Palace Hotel. On January 10 parties were held in the St. Andrew's school, in the Russian Commercial School and in the First Russian School. On January 13 a Christmas party will be held in the premises of the Cossacks' Union. On January 8 a Christmas party—complete with Christmas tree, of course, —was thrown even for adults at "Sokol beginning at 10 o'clock in the evening and provided with music by the "concert department." Generally speaking, the above shows how merrily and diversely Russians celebrated their Christmas this year.

An Artiste's Recollections

New to Shanghai, Mme. Alexandra Labunskaya, who will appear on the local Russian stage for the first time in the operetta "The Charitable Sinner," gave an entertaining interview to the Russian press in which she recalled gay days of her theatrical career in Russia and Europe. She spoke with special nostalgia of her experiences in a rather Bohemian hotel in Kharkov, already in the days of the Bolsheviks, where such stellar celebrities as Vavich, Muratov, Tamara Pavlova and Vertinsky shared the sme roof—with, sometimes, rather eccentric results. The customs and manners in this artistic hotel were, in spite of the hard times, of an extremely spontaneous nature. Someone decided to play a practical joke on a confrere and this started a whole cycle of practical jokes which provided gossip to the whole town and may yet go down in books of some artiste's memoirs.

"I remember," she said, "how, taking opportunity during the absence from the hotel of one colleague, we arranged the furniture of his room so thoroughly that when he returned and entered his room he thought he had penetrated into the boudoir of the ballerina, and backed out muttering embarassed apologies."

Another was the victim of a more malicious practical joke. When he was wringing his soul dry in some particularly tragic scene on the stage, his waggish friends unscrewed the lamp in his room from its socket and perched a number of geese and chicken on strategic spots like tables and mantelpieces. When, late at night, the actor returned to his room spiritually exhausted from his tear-jerking acting, and completely unsuspicious of the havoc wrought in his absence, he opened his door and turned the switch. The light did not open. Instead, alarmed by the noise and the light in the corridor, the feathered denizens bestirred themselves, and launched an attack on the stunned, miserable and frightened actor, hissing and clucking in unison and biting at his legs.

Mme. L. Labuskaya also spoke of her tours of the south of Russia, which took her to such cities as Kiev and Odessa. Incidentally, it was in Kharkov that she first met the popular local operetta star L. I. Rozen. She met him time and again after that in Russia, in Berlin and in Riga.

In an interview with the Russian press, Dr. D. I. Kazakoff, for 17 years the head of the Orthodox Confraternity, painted a picture of health conditions in the colony. He said that in the matter of health, the Russian colony is worse off than any other foreign community in the city. The reason for this is simply money. Thus Russians eat worse than others, and live in worse conditions. They are denied the opportunity of leaving the city on long leaves to recuperate their failing health. During its 17 years of existence, the Confraternity hospital has registered more than 130,000 ambulance calls. The number of sick has been no less than 50,000. There are much more cases of serious illness among Russians here than among foreigners of any other nationality. Tuberculosis is the chief ill that Russians seem heir to, second coming abdominal typhus, and third various stomach diseases. Then come a number of forms of cancer. A large percentage is formed by mental diseases. A unique feature is that Russian women are worse off in health than Russian men.

BY SAPAJOU

Capt. J. S. Thompson, R.A.S.C.

Embarkation Staff Officer

Sergeants Ambrose and Williams Leaving

Shanghai, Jan. 11.

Farewells were said by Police comrades and others last night to Sergeant F. Ambrose and Probationary Sergeant C. M. Williams, both former Royal Navy and Marine men, who are about to leave Shanghai to join the colours.

Sergeant Ambrose started his career in the S.M.P. in January, 1933, after service in the Royal Marines. He was for some years the "maestro" of the Police Band and is also well known as an amateur entertainer.

Prob. Sergeant Williams joined the Police on March 17, 1939.

A farewell party was given in honour of the two men last night by friends, who gathered at the Louza Police Station.

Shanghai-Hankow Air Service Resumed

Shanghai, Jan. 14.

Regular air service between Shanghai and Hankow via Nanking started on January 12, the "Shanghai Mainichi" reported yesterday.

A round-trip between the two cities, a distance of 830 kilometres, can be made by air in a day with the inauguration of the service, the local Japanese daily said.

A 21-seater Douglas DC-3 plane left the Tazan airdrome at Shanghai at 8 a.m. on January 12, arrived at Nanking at 9.10 o'clock, left Nanking at 9.25 o'clock and arrived at Hankow at 11.50 o'clock, the paper said. On the return flight the plane left Hankow at 12.20 o'clock in the afternoon, arrived at Nanking at 2.45 o'clock and arrived at Shanghai 4.10 o'clock.

A reporter for the "Mainichi" made the trip.

Mauser Gang Abducts Former School Man

Shanghai, Jan. 12.

A former school principal at Wusih, Wang Kyi-vung, was kidnapped by four Chinese at his house, 10 Seymour Li, off Seymour Road, at 6.45 o'clock yesterday morning. Wang was confronted with two Mauser pistols, but no shots were fired. He was taken away in an automobile and no alarm was raised.

Political gangsters are believed responsible for the kidnapping. Wang had only been in Shanghai since last summer. He had been working here as a silk broker, having formerly operated a silk filature at Wusih as well as being a school principal there.

In recent months educators have frequently been kidnapped or shot in Shanghai by political desperadoes working out of the western "badlands."

Bombing of Yunnan Railway Discussed

Shanghai, Jan. 13.

The Embassy spokesman at yesterday's press conference, contradicting reports that the Japanese had threatened to demolish all bridges on the Yunnan Railway, stated that the French authorities in Tokyo had made representations to the Japanese Government regarding previous raids. The Japanese reply would be presented shortly to the French Embassy. The naval spokesman reiterated, in reply to a question, his previous assertion, that bombings of the railway were a military necessity, which might lead to a situation whereby ordinary goods trains would not be molested once the military objectives had been eliminated.

U.S.S. Henderson Sails North

Shanghai, Jan. 12.

After disembarking 189 marines for duty with the Fourth Marines in Shanghai, the U.S.S. Henderson, naval transport, sailed early this morning for Chinwangtao. The Henderson arrived in Shanghai on Jan. 11 and tied up to Buoy No. 12 in the Whangpoo River. The transport will return from North China on January 18 and remain here for ten days, sailing for the United States via Pacific ports on January 28. A total of 175 marines who have completed their tour of duty with the Fourth Marines will sail for the United States in the Henderson.

New Council Member Co-Opted to Seat

Shanghai, Jan. 10.

Mr. R. T. McDonnell has been co-opted for the remainder of the Municipal year to the vacant seat on the Shanghai Municipal Council created by the resignation of Mr. J. W. Carney, in accordance with the provisions of Article XX of the Land Regulations.

Mr. McDonnell will also take Mr. Carney's place on the following Council Committees: Works Committee, Staff Committee, Public Utilities Committee and Health Committee.

Mr. McDonnell was for two years a member of Council of the British Concession at Tientsin.

Consulates Discuss Donaldson Case

Shanghai, Jan. 13.

Dealing with the allegations of Miss Frances Donaldson, American citizen, to the effect that she had been manhandled on the North Szechuen Road Bridge on December 20 by a Japanese sentry, spokesmen at yesterday's press conference said that Japanese Consular officials had called yesterday at the American Consulate-General to discuss the affair. What transpired he did not disclose, but added that although the Japanese denied such an incident at the time and place alleged, their reply would be sent to the American authorities within a few days.

Russians Celebrate New Year

Shanghai, Jan. 14.

Like the rest of the foreign community in Shanghai the Russian population of this city has found it expedient, for many reasons, to observe January 1 as the first day of a new year. Officially, however, the Russian New Year commences today, January 14, and, like the Russian Christmas and Eastern festivals, it follows the recognized foreign observances in Shanghai of these holidays.

This does not deter the Russian community in Shanghai from celebrating their traditional New Year's Day at the proper time. While it will not be celebrated as a general holiday throughout the whole of Russian Shanghai, today will certainly be celebrated in one way or another by every member of the White Russian community.

Last night, Russian New Year's Eve, was a time for rejoicing in the community. There were gay scenes in the Russian night spots, all of which were crowded by the usual happy throngs. Perhaps more crowded than the night spots, however, were the various Russian churches.

Church Services

Like most Russian holidays, the New Year has a special religious significance and elaborate services are the order of the day. The best attended of all these services were those which were held shortly before midnight when the advent of the New Year was heralded in a particularly impressive manner with beautiful anthems and much ceremony.

Not all the Russians—owing to the depression—were able to celebrate the holiday in elaborate style for there are many in the community whose straitened circumstances do not permit any spending on those little extras which are necessary to do full justice to such an occasion. Like the more well to do members of the community, however, they were to be seen in all the churches throughout the day.

Two Aviation Firms Organized

Shanghai, Jan. 14.

China, Manchoukuo and Formosa will gradually be linked together by aviation, according to the "Sin Shun Pao," which states that co-operation between China, Japan and Manchoukuo will be closer than before when two aviation companies, operating air services, are established on April 1 and June 1.

A Japanese aviation company is to be established on the former date to operate services between northern Formosa, Amoy and Shanghai. The Central China Aviation Company will be responsible for linking Dairen, Tsingtao and Shanghai.

This aviation enterprise was organized by business interests in Manchoukuo. Hope was expressed that Changchun, Dairen, Tsingtao, Nanking, Shanghai and Formosa would be linked by air.

Celluloid Toys Burn In Downtown Shop

Shanghai, Jan. 13.

Extremely dangerous owing to fumes, a fire which destroyed a number of celluloid toys was extinguished yesterday morning by firemen from Central Station at 25 Siking Road, near Honan Road.

The premises involved were the Seiwa Toy Shop, an enterprise owned by Mr. Tokuyoshi Morimoto, Japanese, on the second floor of 25 Siking Road. It is suspected that a carelessly discarded cigarette-end started the flames, which severely damaged the contents of the shop and the rooms.

The fire started at about 9.55 o'clock and firemen from Central Station, near by, spent seventy minutes at the scene. The flames were under control after 27 minutes. No-one was injured or overcome by fumes.

SHIRTS

TOYO MURAKAMI
270 KIANGSE ROAD
SHANGHAI

OBJETS D'ART
KIMONOS PEARLS

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Shanghai Stock Exchange Official Weekly Share Report with Closing Quotations, Jan. 12, 1940

REPORT No. 2/1940 for week ending Jan. 12 (Friday), compiled by the Shanghai Stock Exchange

Comparative Opening Cash Prices: This Friday Morning Jan. 12, 1939				Last Friday Morning Jan. 5, 1940				Business Recorded During Week Closing Thursday		STOCK	Authorised Capital (No. of Shares)	Issued Capital (No. of Shares)	Paid up Value (or Face Value)	Fin. Year ends	Last Dividends, etc.	Paid or due	Business Done Year 1939		Business Done Year 1940		Total No. of Shares Done for		Total Amount of Sales Reported	
Buyers	Sellers	Last Sales	Nom.	Buyers	Sellers	Last Sales	Nom.	Highest	Lowest								Highest	Lowest	Highest	Lowest	Last Week	This Week	1939	11-1-40
										Banks, Finance Companies														
....	....	16.50	....	....	16	16	....	16.30	15.60	Central Properties, Ltd.	5,000,000	180,000	$10	Dec.	Div. 15% 1938	23-1-39	18 Jan	14 Feb	16.30 Jan	15.60 Jan	....	6,000	53,100	6,000
....	....	10	....	....	....	10	....	....	....	China Bond & Share Co., Fed. Inc., U.S.A.	200,000	120,000	$10	Dec.	Int. Div. 4% a/c 1939	15-4-39	10 Jan	10 Jan	....	....	....	....	11,000	....
....	....	....	1.02	1.02	....	0.50	....	....	....	China Finance Corp. Fed. Inc., U.S.A.	400,000	400,000	T5	Dec.	Succ. Tax Div. T1s. 0.27½ = $0.39, 1931 (Nil 1938)	14-3-32	0.50 Dec	0.20 July	....	....	....	....	26,000	....
....	....	*1.40¾	....	....	....	*1.320	....	*1.40¾	*1.40¾	Hongkong & Shanghai Banking Corp.	400,000	160,000	H $125	Dec.	Fin. Div. £2.16-0 (Mkg. £5 a/c 1939) Less I/T	Pending	1.445 Mar	1.310 Oct	1.40¾ Jan	1.40¾ Jan	....	10	853	10
12.40	12.50	12.60	....	11.30	11.50	11.30	....	13.70	11.30	Inter. Invest. Trust Co. of China, Ltd.	2,000,000	350,000	T10	Mar.	Div. $0.75, 1934 (Nil 1938-39)	4-5-34	11.10 Dec	2.37½ Feb	13.70 Jan	11.20 Jan	21,200	77,000	1,834,521	98,200
15.70	15.80	15.70	....	14½	14 80	14.50	....	15.80	14.70	Shanghai Loan & Investment Co., Ltd.	250,000	250,000	T5	Dec.	Int. Div. $0.35 a/c 1939	25-10-39	15 Dec	5.10 Sept	15.80 Jan	14½ Jan	8,900	39,450	1,373,264	45,350
....	....	....	20	20	....	....	....	....	....	Union Mobiliere	100,000	100,000	$20	Dec.	3½% for 1938	11-5-39	....	....	....	....	....	....	....	....
....	11.80	11.80	....	10.30	10.50	10.40	....	12.60	10.60	Yangtsze Finance Co., Ltd.	2,000,000	517,500	T10	Mar.	Div. $0.50 a/c 1938-39	3-7-39	10.10 Dec	5 Aug	12.60 Jan	10 Jan	25,000	84,000	1,001,515	109,000
										Insurances														
5	....	5	....	5	5	....	....	5	5	American-Asiatic Underwriters (ord.)	75,000	75,000	T10	Dec.	Div. $1.40, 1934 (1938 Nil)	15-5-35	3.25 Nov.	3 Jan	5 Jan	5 Jan	....	1,000	4,700	1,000
....	....	....	130	....	....	....	130	....	....	Asia Life Insurance Co.	100,000	40,000	$5	Dec.	Div. 10% = G $0.50, 1938	11-9-39	70 Jan	70 Jan	....	....	....	....	200	....
....	....	....	90	....	....	....	90	....	....	Assurance Franco-Asiatique	70,000	70,000	F100	Dec.	Div. 5%, 1938	10-5-39	....	....	....	....	....	....	....	....
....	13.30	13.20	....	....	9	9	....	13.50	9	International Assurance Co., Ltd.	933,333	280,000	10%	Dec.	Div. $0.30,1933 (Nil 1938)	18-5-34	11.20 Oct	7.50 Apr	13½ Jan	9 Jan	....	29,200	118,932	20,200
....	....	440	....	....	....	440	....	....	....	Union Insurance Society of Canton, Ltd.	200,000	135,000	£6	Dec.	Int. Div. 12/6d a/c 1939	15-11-39	480 Mar	365 Oct	440 Jan	440 Jan	30	....	1,020	30
										Lands														
....	....	....	200	....	....	....	200	....	....	Anglo-French Land Invest. Co., Ltd.	25,000	19,335	T100	Feb.	Int. Div. $2.00 a/c 1939-40	12-10-39	200 Dec	120 Sept	....	....	....	....	363	....
2.40	....	....	2	1.95	....	2	....	....	....	Cathay Land Co., Ltd.	500,000	480,374	T10	Dec.	Final 2% = $0.28 (Mkg. 6% 1933) (Nil 1938)	5-5-34	2 Dec	1 May	....	....	112,300	....	77,700	....
9.50	9.70	9.70	....	8.50	....	8.60	....	10.90	8.65	China Realty Co. Fed. Inc., U.S.A.	1,250,000	1,236,327	$10	Dec.	....	....	1 Jan	0.25 Aug	10.90 Jan	7.70 Jan	....	201,200	461,581	314,000
....	....	....	275	275	....	....	....	....	....	Fonciere et Immobiliere de Chine	20,000	20,000	T100	Dec.	Final Div. $10.00 (Mkg. $15.00 a/c 1938)	3-3-39	180 Mar	180 Mar	....	....	....	....	48	....
7.50	9	7	....	....	9	7	....	....	....	Metropolitan Land Co., Ltd. "A"	500,000	39,300	T10	Sept.	Div. $0.40, a/c 1939	14-12-39	7 Nov	4.20 Feb	9 Jan	9 Jan	100	....	11,750	100
7.50	9	7	....	....	9	7	....	....	....	do. "B"		155,018	T10	Sept.	Div. $0.40, a/c 1939	14-12-19	....	....	....	....	....	....	....	....
....	....	....	9	....	....	....	9	....	....	San Sing Properties, Ltd.	2,000,000	805,007	T10	Mar.	Int. Div. $0.60 a/c 1939 (Final Nil)	23-12-38	....	....	....	....	....	....	....	....
14.80	14.90	14.80	....	....	....	13.80	....	16	13.60	Shanghai Land Investment Co., Ltd.	2,386,800	2,386,800	($7) T5	Dec.	Fin. 4% = $0.28 (Mkg. T1s 0.50 1934) (Nil 1938)	25-4-35	12.90 Dec	7.60 Aug	16 Jan	13.30 Jan	24,000	63,600	1,132,772	92,000
....	....	....	99½	....	....	....	99½	....	....	Tientsin Land Investment Co., Ltd.	120,000	64,281	$50	Dec.	Final 2% (Mkg. 15% 1938)	15-2-39	....	....	....	....	....	....	....	....
										Docks, Wharves and Transport														
....	22	21.75	....	20½	20½	20½	....	23	21	New Eng. & Shipbuilding Works, Ltd. (ord.)	500,000	494,351	T5	Dec.	Div. $0.35 a/c 1938	16-1-39	20.50 Dec	5.60 Jan	23 Jan	20½ Jan	16,300	46,350	253,813	62,650
....	238	235	....	220	225	220	....	235	223	Shanghai Dock & Engineering Co., Ltd.	55,700	55,200	T25	Dec.	Fin. $20 (Mkg. $24 a/c 1939)	Pending	218 Dec	93.50 Feb	235 Jan	217 Jan	1,530	1,665	22,789	3,195
280	300	280	....	....	....	265	....	280	267	Shanghai & Hongkew Wharf Co., Ltd.	60,000	60,000	T100	Dec.	Int. Div. $10 a/c 1939	30-8-39	270 Dec	170 Jan	280 Jan	267 Jan	....	50	11,052	50
76½	77½	77	....	76	77	76	....	78	75	Wheelock & Co., Ltd.	1,000,000	239,356	T10	Mar.	Int. Div. $3 a/c 1939/40	Pending	76.50 Dec	28 Sept	78 Jan	75 Jan	2,150	4,230	733,197	6,380
										Utilities														
....	24	23.75	....	....	24½	24½	....	24.25	23.50	China General Omnibus Co., Ltd.	500,000	200,000	T10	Dec.	Fin. Div. $0.70 (Mkg. $1.26 a/c 1938)	20-4-39	32.25 June	18.50 Aug	24½ Jan	24 Jan	1,200	4,300	117,025	5,500
....	13	13	....	....	....	12	....	13	12.50	Shanghai Gas Co., Ltd.	700,000	560,000	$10	Dec.	Div. 6% 1938	2-5-39	12.40 Dec	8 Feb	13 Jan	12.30 Jan	500	3,210	24,715	3,710
21.75	23	22	....	....	23	23	....	23.50	22	Shanghai Telephone Company	1,200,000	1,151,420	$10	Dec.	Div. $0.60 a/c 1939	27-12-39	23.75 Dec	10.60 July	23½ Jan	23 Jan	4,370	12,610	422,978	16,980
....	....	37	....	....	....	37	....	....	....	S'hai Electric Construction Co., Ltd. "Reg."	700,000	670,000	£1	Dec.	Div. 8% a/c 1938 Coupon 56	25-4-39	10 June	36 Sept	....	....	....	....	7,064	....
45.75	46½	45.75	....	43	....	44½	....	47	43.50	do. "Bear"							14.75 June	36 Sept	47 Jan	44 Jan	2,000	8,210	273,900	10,240
845	....	845	....	820	....	820	....	845	830	S'hai Waterworks Co., Ltd. "A"	40,236	40,236	£20	Dec.	Int. Div. 1% = 4/- a/c 1939 Coupon 51	27-9-39	530 Oct	620 Jan	845 Jan	830 Jan	....	68	2,775	68
33	....	33	....	....	....	33	....	33	33	do. "B"	359,280	£108,505	£1	Dec.	Div. 2.4d a/c 1939 Coupon 24	27-9-39	33.50 Aug	26 Apr	33 Jan	33 Jan	....	300	9,377	300
....	....	33	....	....	....	32½	....	33	33	do. "C"		£250,000	£1	Dec.	Int. Div. 2.4d a/c 1939 Coupon 20	27-9-39	33.50 Oct	26.25 Mar	33 Jan	33 Jan	200	200	9,826	400
										Miscellaneous														
....	....	....	15.50	....	....	15	....	16.75	16.75	Auto Palace Co., Ltd.	150,000	118,500	$8	Dec.	2nd Int. Div. $1.00 (Mkg. $2 a/c 1939)	16-1-40	15 Dec	8.50 May	16.75 Jan	16.75 Jan	....	1,000	20,920	1,000
20	....	20	....	18½	....	17.20	....	20	20	Bakerite Co., Fed. Inc., U.S.A. "B"	50,000	49,703	$10	Dec.	Div. $0.85 a/c 1938	26-3-39	17.20 Dec	12 Aug.	20 Jan	20 Jan	....	200	14,237	200
15.70	....	15	....	....	....	15	....	....	....	Caldbeck, Macgregor & Co., Ltd. (ord.)	200,000	140,000	T10	Dec.	Div. $1.40 a/c 1938	26-4-39	15 Dec	11 Mar	....	....	....	....	1,715	....
....	....	40	....	....	....	39½	....	40	39.50	China Import & Export Lumber Co., Ltd.	500,000	231,803	T10	Feb.	2nd Int. Div. $1.25 (Mkg. $2.50 a/c 939-40)	Pending	39.50 Dec	19 June	40 Jan	39½ Jan	....	1,300	22,543	1,300
48	49½	48	....	....	49	48½	....	49	48	Chinese Eng. & Mining Co., Ltd. "Bearer"	2,000,000	1,960,000	£1	June	Fin. Div. 7½% a/c 1937-38 Free of I/T Coupon 45	16-1-39	48 Dec	22.25 Jan	49 Jan	48 Jan	1,000	2,300	174,448	3,300
....	....	....	9	....	....	....	9	....	....	Chosen Corporation, Ltd.	750,000	725,000	£1	June	Div. 1/- (Mkg. 1/9d. 1937) Less Tax (Nil 1938)	15-4-38	....	....	....	....	....	....	....	....
....	....	....	50	....	....	....	50	....	....	Cultz Dairy Co., Ltd.	40,000	40,000	T10	Dec.	Div. $1. a/c 1934-35 (Nil 1938)	27-11-35	30 Oct	19 Jan	....	....	....	....	120	....
....	....	....	55	....	....	....	55	....	....	Champ Course Francais French	30,000	30,000	$20	Dec.	Div. $4.50 a/c 1934 (Nil 1938)	1-3-35	....	....	....	....	....	....	....	....
....	....	....	55	....	....	....	55	....	....	(French Race Course) non-French				Dec.	Div. $4.50 a/c 1934 (Nil 1938)	1-3-35	80 Mar	80 Mar	....	....	....	....	100	....
....	....	....	15	....	....	....	15	....	....	Hall & Holtz, Ltd.	28,000	26,342	$20	Feb.	5% = $1. 1934-35 (1938-39 Nil)	30-5-35	15 Dec	8 Feb	....	....	....	....	1,328	....
....	....	....	*5	....	....	....	*5	....	....	Hongkong & Shanghai Hotels, Ltd.	1,500,000	1,193,867	H $7.50	Dec.	Div. H. $0.60 a/c 1938	15-3-39	5 Apr	5 Apr	....	....	....	....	500	....
....	....	....	14.25	....	....	....	14½	....	....	Kelly & Walsh, Ltd.	75,000	45,000	$10	Feb.	Fin. Div. $1.00 (Mkg. $1.50 a/c 1938-39)	30-6-39	....	....	....	....	....	....	....	....
....	....	19	11	....	....	....	11	....	....	Mark L. Moody, Fed. Inc., U.S.A.	100,000	30,000	T10	Dec.	Fin. Div. $1.25 (Mkg. $2.25 a/c 1938)	8-3-39	12 May	12 May	....	....	....	....	300	....
18.90	....	....	....	18.80	18.90	18.80	....	19.60	18½	Metal Industries of China, Ltd.	2,000,000	250,000	$5	Dec.	....	....	18.90 Nov	4.50 Sept	19.60 Jan	18.50 Jan	11,000	35,900	1,266,680	45,900
....	....	....	3	3	....	....	....	....	....	Millington, Ltd.	300,000	110,000	$4	Dec.	Div. 3% = $0.12 a/c 1938	21-4-39	2 Mar	1.40 Oct	....	....	....	....	14,340	....
....	....	....	3	3	....	....	3	....	....	Office Appliance Co., Ltd.	80,000	60,000	T8.50	Dec.	Div. T1s. 0.40 = $0.56, a/c 1932 (Nil 1938)	21-4-33	....	....	....	....	....	....	....	....
8.95	9.05	8.95	....	8.90	9	8.95	....	9.15	8.60	S'hai Exploration & Development Co., Ltd.	1,200,000	716,701	T2.50	Dec.	2nd Int. Div. $0.30 (Mkg. $0.60 a/c 1939)	15-12-39	9.50 Nov	4.50 Aug	9.20 Jan	8.60 Jan	19,300	75,550	1,795,516	94,850
....	....	1.90	5.30	....	....	....	5.30	....	....	S'hai Vacuum Cleaning & Storage Co., Ltd.	35,000	23,000	T10	Dec.	Fin. Div. 5% (Mkg. 10% a/c 1938)	18-4-38	....	....	....	....	....	....	....	....
2	....	....	....	....	....	2	....	....	....	S'hai Waterworks Fittings Co., Ltd.	500,000	301,765	T1	Dec.	Div. 8% (= $0.11) 1935 (Nil 1938)	17-3-36	2 Dec	1 Apr	1.90 Jan	1.90 Jan	1,000	....	36,740	1,000
....	....	....	6	....	....	....	6	....	....	Union Brewery, Ltd.	500,000	200,000	T10	Dec.	Div. $1.35, 1933 (Nil 1938)	27-5-34	....	....	....	....	....	....	....	....
										Bonds and Preferences														
....	....	....	....	60	....	....	....	....	....	American-Asiatic Underwriters, Cum. Pref. 8%	5,000	5,000	T100	Dec.	4% = $5.59 for ½ year ended Dec. 31, 1934	31-12-34	....	....	....	....	....	....	....	....
60	....	....	....	55	....	....	....	....	....	do. Cum. Pref. 7%	7,500	7,500	T100	Dec.	3½ = $4.89 for ½ year ended 31-3-35	1-4-35	50 Feb	23 Nov	....	....	....	....	317	....
55	....	....	....	....	....	....	....	....	....	Caldbeck, Macgregor & Co., Ltd. 8% cum. pref.	100,000	80,000	T10	Dec.	Div. 8% = $1.12 for 1938	20-4-39	14 Mar	13.25 Mar	....	....	....	....	2,415	....
....	....	14	....	....	....	14	....	....	....	Ch. Finance Corp. Fed. Inc. U.S.A. (Pref.) 8%	600,000	205,125	T5	Dec.	Quarterly Div. T1s. 0.10 = $0.14, 1933	30-12-33	....	....	....	....	....	....	....	....
....	....	....	3.60	....	....	....	3.60	....	....	Ewo Cotton Mills, Ltd. 8% cum. pref.	10,000	9,000	T100	Dec.	Div. T.s. 8 = $11.19, 1938	27-4-39	155 Mar	140 July	....	....	....	....	684	....
150	....	140	....	150	....	140	....	....	....	New Eng. & Shipbg. Works, Ltd. 8% cum. pref.	500,000	144,500	T5	Dec.	1½% (Mkg. 8% a/c 1935) 8% for 1936, 1937 & 1938	16-1-39	8.20 Jan	6.25 Jan	....	....	....	....	23,739	....
....	....	7	....	....	....	7	....	....	....	S'hai Power Co. Tls. 6 cum. Pref. stock	230,000	220,000	T100	Dec.	4th Quarterly Div. T1s. 1.50 = $2.0979, a/c 1939	5-1-40	134 June	112 Aug	129 Jan	126 Jan	250	228	56,425	978
....	....	127.50	....	....	129	129	....	127	126	Shanghai Tug Lighter Co., Ltd. 7% pref.	10,000	10,000	T50	Dec.	Div. T1s. 1.75 = 3½% a/c 1939	8-12-39	62.50 Dec	50 Aug	....	....	....	....	590	....
....	....	....	47½	....	....	....	47½	....	....	S'hai Waterworks Co., Ltd. 7% cum. pref.	100,000	100,000	T10	Dec.	3½ = $0.49 for half year ended 30-6-39	27-9-39	15 May	13.50 June	....	....	....	....	2,810	....
....	....	14½	....	....	....	14½	....	....	....	do. 6½% cum. pref.	100,000	100,000	T10	Dec.	3½% = $0.45 for half year ended 30-6-39	27-9-39	14 Apr	12 Aug	....	....	....	....	6,465	....
....	....	14	....	....	....	14	....	....	....															
										Cottons														
31.60	31.80	31.60	....	28.60	28.70	28.60	....	31.60	28.80	Ewo Cotton Mills, Ltd., Ordinary	2,000,000	1,350,000	T5	Dec.	Int. Div. $1.00 a/c 1939	Pending	28 Dec	15.60 Jan	31.60 Jan	28.20 Jan	12,500	67,550	3,021,807	80,050
162	165	162	....	155	160	160	....	162	160	Shanghai Cotton Mfg. Co., Ltd.	240,000	240,000	$50	Apr.	Div. $5.00 for ½ yr. ended 31-10-39	29-11-39	172 Oct	101 Feb	162 Jan	160 Jan	....	636	7,406	636
55	....	....	....	56	....	46	....	....	....	Tung Yih Spinning & Weaving Co., Ltd.	170,000	170,000	$10	Dec.	Div. $2.50 & Bonus $2.50 & Spec. Div. $5 a/c 1938	12-4-39	43 July	40 July	50 Jan	47 Jan	500	350	200	350
....	50	48	....	....	50	47	....	50	48	Zoong Sing Cotton Mills, Ltd.	200,000	150,000	T10	June	Div. $7.50 & Bonus $7.50 a/c 1938-39	31-10-39	46 Nov	42 Mar	....	....	....	....	1,000	....
										Plantations														
....	....	50	....	40½	41½	40½	....	50	42.50	Alma Estates, Ltd.	70,000	70,000	(Tls. 9) £1	Sept.	Fin. Div. $1.50 (Mkg. $2.00 a/c 1938-39)	22-12-39	41 Dec	18 Feb	50 Jan	40.75 Jan	750	1,600	20,050	2,350
....	24	23.50	....	....	21½	20½	....	25	22	Anglo-Dutch (Java) Plantations, Ltd.	400,000	350,000	10s	Dec.	2nd Int. Div. $0.20 (Mkg. $0.40 a/c 1939)	12-12-39	19.40 Dec	8.50 May	25 Jan	19.80 Jan	2,750	14,450	163,197	17,150
45½	46	45.75	....	41½	42	42	....	49	43	Anglo-Java Estates, Ltd.	500,000	496,000	10s	Dec.	2nd Int. Div. $0.75 (Mkg. $1.50 a/c 1939)	7-12-39	40.25 Dec	13.80 Feb	49 Jan	40.75 Jan	4,850	24,100	411,837	28,950
....	....	8.25	....	....	....	6.80	....	8.25	7.25	Ayer Tawah Rub. Plantation Co., Ltd.	500,000	335,499	T1	Sept.	Div. $0.20 1938-39	12-12-39	6.75 Dec	4.20 May	8.25 Jan	6.80 Jan	500	8,760	27,764	9,260
2.30	2.40	2.50	....	2.02½	2.07½	2.02½	....	2.70	2.05	Batu Anam (Johore) Rub. Ests., Ltd.	960,000	960,000	T0.10	Dec.	Fin. Div. $0.10 (Mkg. $0.10 a/c 1937) (Nil 1938)	12-4-38	1.86 Dec	0.60 Aug	2.70 Jan	1.88 Jan	32,500	111,100	636,175	143,600
....	....	11	....	9.80	....	9.70	....	11.20	9.80	Bute Plantations (1913), Ltd.	500,000	353,698	T1	Dec.	2nd Int. Div. $0.15 (Mkg. $0.30 a/c 1939)	12-12-39	9.50 Dec	3.10 Jan	11.20 Jan	9.70 Jan	3,000	16,900	201,195	19,900
3.60	....	3.65	....	....	....	3	....	3.70	3	Chemor United Rubber Co., Ltd.	1,200,000	956,804	T0.10	Dec.	Int. Div. $0.05 a/c 1939	27-9-39	2.90 Dec	1.04 Apr	3.70 Jan	2.92½ Jan	30,500	126,100	632,836	156,800
1.42	1.44	1.48	....	1	1.02	1.04	....	1.74	1.10	Cheng Rubber Estates, Ltd.	1,095,850	1,051,438	T0.10	June	Div. $0.06 a/c 1936-37 (Nil 1938-39)	13-10-37	0.92 Dec	0.30 Aug	1.74 Jan	0.91 Jan	185,500	495,200	924,857	680,700
....	10.50	10.50	....	....	8.80	8.80	....	11	9	Consolidated Rub. Estates (1914), Ltd.	500,000	484,837	2/-	Dec.	2nd Int. Div. $0.10 (Mkg. $0.17 a/c 1939)	12-12-39	8.40 Dec	4.10 May	11 Jan	8.60 Jan	10,000	34,850	339,610	44,850
....	....	14.50	....	....	....	11.90	....	15	12.50	Dominion Rubber Co., Ltd.	350,000	200,000	T1	Dec.	2nd Int. Div. $0.15 (Mkg. $0.30 a/c 1939)	12-12-38	11.50 Dec	5.90 Apr	15 Jan	11.70 Jan	6,300	28,200	118,458	34,500
....	....	....	....	....	....	....	62	....	....	Gula-Kalumpong Rub. Ests., Ltd.	750,000	665,000	£1	Dec.	Div. 5% 1938 Less I/T (Coupon 35)	6-4-39	....	....	....	....	....	....	....	....
6	6.20	6.10	....	....	5.50	5.50	....	6.75	5.65	Java-Cons. Rub. & Coffee Ests., Ltd.	850,000	750,000	2/-	Dec.	Int. Div. $010 a/c 1939	23-8-39	5.50 Dec	2.15 Jan	6.75 Jan	5.50 Jan	16,000	104,500	1,012,155	120,500
31	33	32	....	....	....	24½	....	32	30	Kapayang Rubber Estates Co., Ltd.	15,000	14,800	T10	Dec.	Final Div. $0.50 (Mkg. $1.50 a/c 1937) (Nil 1938)	21-3-38	24.50 Dec	17.40 Nov	32 Jan	....	....	300	3,383	300
7	7.45	7.35	....	6	....	6.20	....	7.70	6.25	Kota Bahroe Rub. Ests. (1921), Ltd.	500,000	461,804	T0.75	June	Div. $0.15 a/c 1938-39	6-10-39	5.90 Dec	2.50 Apr	7.70 Jan	5.90 Jan	6,000	39,350	529,960	45,350
3.57½	3.60	3.65	....	....	....	3.40	....	3.90	3.40	Kroewong Java Plantations, Ltd.	2,200,000	2,200,000	T0.10	Dec.	2nd Int. Div. $0.05 (Mkg. $0.10 a/c 1939)	12-12-39	3.37½ Dec	1.13 Jan	3.90 Jan	3.35 Jan	23,000	282,800	1,971,250	305,800
28.25	....	29	....	28	28½	28½	....	30.75	28.50	Langkat	250,000	250,000	Gs.10	Oct.	Div. T1s. 0.50 = $0.70, 1928-29 (Nil 1937-39)	3-3-30	28.75 Dec	8 Feb	30.75 Jan	28.25 Jan	5,600	16,900	348,387	22,500
....	3.70	3.55	....	....	3.10	3.10	....	4	3.05½	Padang Rubber Co., Ltd.	500,000	500,000	T1	Apr.	Int. Div. $0.04 a/c 1939-40	27-10-39	3 Dec	0.94 Apr	4 Jan	3.05 Jan	11,000	55,200	433,250	66,200
....	2.40	2.45	....	....	....	2.10	....	2.50	2.15	Permata Rubber Ests., Ltd.	350,000	317,219	$1	Oct.	Int. Div. $0.04 a/c 1938-39 (Nil 1937)	6-10-39	1.90 Dec	0.73 Mar	2.50 Jan	2.07½ Jan	7,800	18,500	92,550	26,300

SHANGHAI NEWS (con.)

MARKET PRICES

The following prices effective, in the Western District on Jan. 12, are quoted in cents per lb. except when marked E each, D dozen, B bunch.

BEEF	
Sirloin Roast	85
Rib Roast	83
Rump Steak	85
Fillet	1.00
Topside Steak	75
Silverside	65
Brisket	53
Shin	53
Stewing	65
Soup Meat	53
Suet	90
MUTTON	
Gigot	83
Saddle	83
Loin Chops	85
Shoulder	70
Flank	53
Neck	63
PORK	
Leg	70
Loin	65
Loin Chop	70
Shoulder	60
Lard	70
VEAL	
Leg	1.20
Steak	1.35
Cutlets	1.10
Stewing	90
Buffalo	58
Goat	70
PREPARED MEAT	
Bacon	1.15
Bricket	73
Silverside	73
Round	73
Ham	1.20
Chinese	1.20
Salted Pork	76
FRESH FISH	
Bream	45
Black Head	33
Carp	50
Cod, Ningpo	45
Cod, Shanghai	45
Crabs	80
Cuttle	28
Eel	70
Flounder	40
Halibut	35
Herring	40
Lobster	2.60
Mackerel	55
Mandarin	50
Pomfret	65
Prawns	E 15
Ribbon Fish	28
Salmon	43
Samli	90
Shrimps	75
Soles, Ningpo	38
Soles S'hai	65
Whitebait	45
Yellow	38
SALTED FISH	
Herring	35
Jelly	40
Ribbon	36
Yellow	45
Whitebait	30
Salmon	32
GRAIN AND FLOUR	
Flour: A 49 lb.	9.50
Clan. 49 lb.	15.50
U.S. 49 lb.	16.00
S'hai 50 lb.	9.00
Rice 220 lb.	48.75
MILK	
Grade A T.T.	P 56
Grade A	P 52
Grade B	P 28

VEGETABLES	
Artichokes	10
Bamboo Shoots	60
" Dried	60
Beans French	80
Haricot	30
Kidney	50
Lima	30
Sprouts	10
White	30
Soaked	30
Beetroot	15
Cabbage	20
Shantung	20
Tientsin	20
Salted	20
Carrots	25
Cauliflower	E 1.00
Celery, Ch.	B 08
U.S.	3.00
Chilies	40
Cucumber	60
Egg-plant	60
Endive	E 20
Garlic	50
Ginger	30
Green Pepper	40
Horseradish	40
Kale	15
Kohlrabi	B 10
Leeks	03
Lettuce	E 50
Mint	40
Mushrooms	2.20
Onions, Amer.	30
small	30
spr.	B 03
Parsnips	25
Potatoes	14
small	20
Potatoes sweet	08
Pumpkin	10
Radish	B 03
Red Cabbage	1.00
Spinach	15
Thyme	2.00
Tomatoes	80
Turnips	12
Big Marrow	10
POULTRY, EGGS	
Capon	85
Chicken, spr.	80
Deer	E 11.00
Duck	E 3.00
Duck wild	1.50
Egg (chick.)	D 1.08
Fowl	88
Goose	E 4.50
Hare	E 1.15
Pheasant	E 2.40
Pigeon	E 70
Pigeon wild	E 35
Quail	E 60
Rabbit	E 2.00
Snipe	E 30
Teal	E 55
Turkey	90
Venison	80
Woodcock	E 70
Duck dressed	E 2.45
Egg (duck)	D 92
Goose dressed	E 3.75
FRUIT	
Apples Chefoo	25
" Dairen	28
Bananas	33
Grapefruit	E 69
Grapes U.S.	2.30
Lemons	E 43
Oranges U.S.	D 5.00
" Canton	38
" Wenchow	30
" Mandarin	40
Pumelo (Jap.)	E 45
FODDER	
Barley 110 lb.	16.00
Bran 110 lb.	11.40

FUEL	
Best Anthracite .....metric ton	124.00
No. 1 House Coal .... "	110.00
No. 1 Kitchen Coal .. "	104.00
Firewood .....4 large bundles	1.00
Charcoal 2nd Quality .....40 lb.	6.50

WEDDING

Meynell-Weeks

Shanghai, Jan. 10.

The wedding took place at St. John's Cathedral, Hongkong, on January 2 of Miss Elizabeth Mary Kathleen Weeks, daughter of Mr. and Mrs. J. R. Weeks, of Shanghai, and Surgeon-Lieut. Joseph Francis Meynell, R.N.

The Hon. Mr. S. H. Dodwell gave the bride away and the best man was Surg. Lt. W. Forrest. Following the wedding many friends of the bride and groom attended a reception held on the groom's ship.

Surg. Lt. Meynell is the son of the late Dr. Meynell and Mrs. Meynell of Manchester, England.

The Rev. W. H. S. Chapman officiated.

Sergeant Who Removed Explosives Decorated

Shanghai, Jan. 12.

Chief Sergeant R. Chaillou, of the French Concession Police, has been awarded the Concession's Silver Medal (with clasp) for his work in removing, since 1938, fifty shells, eighteen bombs and more than 100 grenades from various localities in the Concession. It is pointed out that he has repeatedly exposed himself to grave danger in this work.

Chief Sergeant Chaillou, who is in charge of explosives for the Municipal Guard, already wears the Concession's Bronze Medal (with clasp).

THE health report of the French Municipality for the week ending January 13, shows that the total number of deaths from all causes amongst the foreign and Chinese population in the Concession were: —Foreigners 6 and Chinese 209. Deaths from notifiable diseases were: —Foreigners: Tuberculosis 1, and Chinese: Tuberculosis 16; Pneumonia 7; Typhoid and Paratyphoid Fevers 5; Dysentery 3; Diphtheria 2 and Cerebrospinal Meningitis 1.

FUNERALS

Mr. H. Crawford Pape

Shanghai, Jan. 9.

A cremation service for the late Mr. Henry Crawford Pape of Messrs. Reiss Bradley & Co., whose death occurred at the Country Hospital on Jan. 5 was held in the Bubbling Well Cemetery Chapel yesterday. There was a large attendance of deceased's colleagues and friends. The chief mourners were the widow, Mrs. Gladys M. Pape, and a young son. The very Rev. A. C. S. Trivett was the officiating clergyman. On the coffin rested a beautiful wreath from Glady's. Nana and Papa, Mary Harry and Tony.

Mrs. Margaretha Mottu

Shanghai, Jan. 13.

Relatives and many friends were in attendance yesterday afternoon at the funeral of Mrs. Margaretha Mottu at the Bubbling Well Cemetery. Father John K. Lipman, S.J., of the Church of Christ The King, officiated. Mrs. Mottu had been a resident of this city for the past 25 years and was the widow of the late Mr. A. L. Mottu. She died at her residence, 29 Tunsin Road, on Jan. 8 at the age of 61 years, and is survived by three daughters, Mrs. C. R. Getz, Camille and Iris Mottu, and son, Louis Mottu. The casket, upon which rested little floral sprays from "Michel" and "Reidar," was carried to the grave by Messrs. D. McAlister, E. Marchetti, J. Piffaretti, J. Comtesse, C. F. Stockar and R. Von der Crone.

Mr. D. A. Ross

Shanghai, Jan. 13.

In presence of many business associates and friends the remains of the late Mr. Douglas Alexander Ross, of Alexander Ross & Co. (China) Ltd, whose death occurred suddenly on January 8, were laid to rest in the family plot in Bubbling Well Cemetery on January 11. Mr. J. L. Hunter represented the family as chief mourner. The services were conducted by Dean Trivett of the Cathedral. On the casket, which was draped with the Union Jack, rested a beautiful floral tribute from Mother and from the United Services Association and these were lowered into the grave with the casket. The pallbearers were Messrs. P. C. Colman, Noel Kent, Victor Priestwood, E. L. Hartopp, T. Hutchison and C. W. Rayden.

Mrs. L. I. Sokoloff

Shanghai, Jan. 13.

The funeral took place at Lokawei Cemetery yesterday afternoon of the late Mrs. Larisa Ivanovna Sokoloff, who, passed away at her residence on Jan. 9 at the age of 69 years. The chief mourners were Mr. and Mrs. N. M. Stepanischeff (daughter and son-in-law). The services were conducted in St. Nicholas Church by Father Paievsky assisted by Father Fillimonoff and Deacon Bortzevitch and a choir of male voices conducted by Mr. Kolchin. Father Fillimonoff officiated at the graveside. The pallbearers were:—Mr. N. M. Stepanischeff, Mr. S. D. Ivanoff, Mr. A. A. Vassilliff, Mr. I. S. Lobanoff, Mr. P. Poronnick, Mr. P. G. M. Bear, Mr. P. Z. Vodovozoff, Mr. V. V. Russakoff.

Mrs. Maria Theresa Botelho

Shanghai, Jan. 13.

In the presence of relatives and a host of friends a Requiem Mass was celebrated at St. Peter's Church on Avenue Dubail on January 11 by the Rev. F. P. Beauce, S.J. In the afternoon interment took place at the Pahsienjao Cemetery. Mrs. Botelho has spent her entire life in Shanghai and was well known and highly respected in the Portuguese community. She died at the General Hospital on Jan. 9 at the age of fifty-five years. She is survived by her husband, Mr. Julio Victor Botelho, and children, Horacio, Guido, Dolores and Alicia Botelho, all of whom were present at the last rites. The coffin was carried to the grave by Messrs. L. Encarnacao, A. J. Allanson, G. M. da Silva, J. M. B. Remedios, J. L. Gil-Pereira and Dr. A. P. Diniz. A beautiful spray of flowers from "Julio, Horacio, Guido, Dolores and Alicia" was lowered on the coffin into the grave.

Mrs. Sarah Skinazi Haim

Shanghai, Jan. 13.

The death of Mrs. Sarah Skinazi Haim occurred at her home on Route Cohen early on January 11 following an illness of three days. Funeral services were held yesterday afternoon at the Chapel of the International Funeral Directors, 207 Kiaochow Road, with the Rev. M. Brown officiating. Following this preliminary service a cortege was formed and proceeded to the Jewish Cemetery, Baikal Road, where the last rites of the Jewish faith were accorded the deceased, with the Rev. M. Brown and Mr. E. S. Jacob in charge. The chief mourners were a daughter, Mrs. Notrica, son, Mr. J. Haim, two brothers, Mr. S. Skinazi and Mr. J. Skinazi, and one sister, Mrs. Mizrahi. The coffin, upon which rested a bouquet of sweet-peas from "Linda and Peppo," was carried to the grave by Messrs. J. Haim, J. S. Skinazi, S. Skinazi, I. E. Haim, H. Skinazi, S. Lazar, M. Frisco and R. D. Abraham.

Mrs. Zofja Pogorzelska

Shanghai, Jan. 13.

The burial took place on January 11 at the Lokawei Cemetery of the late Mrs. Zofja Pogorzelska. Preceding interment a Requiem Mass was held at St. Pierre's Church on Avenue Dubail, with the Rev. Father F. M. de Chalain, S.J., officiating. The deceased, who was seventy-seven years of age, was one of the most prominent members of the Polish Community in Shanghai. Following the religious rites at the graveside, Dr. S. Tomaszewski, President of the Polish Community in Shanghai, delivered a short address. The pallbearers were Messrs. Dr. S. Tomaszekski, S. Kowalczyk, K. Komarowski, J. Pawlowski, J. Marchinkowsky and H. J. Hajek. A beautiful floral cross, covering the entire coffin, from "Nina and Hans" was lowered on the coffin into the grave.

Chinese Merchant Said Kidnapped

Shanghai, Jan. 15.

Wang Cheng-ping, a rice merchant living at a Brenan Road address and with offices in Avenue Edward VII, was reported to the French Police to have been kidnapped shortly before noon yesterday on Avenue Edward VII, opposite the Ambassador ballroom.

Detectives immediately investigated the case and according to information available late yesterday afternoon, it appears that Wang was travelling towards the Bund in a rickshaw when a motor car suddenly halted in front of him, three unarmed men stopped the rickshaw and forced Wang into the waiting car which subsequently made off.

Reasons for the alleged kidnapping are still obscure and detectives are surprised at the fact that three unarmed men should be able to effect a kidnapping on a busy thoroughfare at a time when there is considerable traffic and that they should not have been challenged by their victim. Nevertheless, investigations are being continued on the basis of the clues so far in the hands of the police.

PERSONAL NOTES

DR. A. von Mirorini returned on January 10 by plane from Japan.

PAYMASTER-Commander E. A. Jolley, British Resident Naval Officer, and Mrs. Jolley have left for home.

A DAUGHTER was born to Catherine (Mrs. F. W. Toler), daughter of Mr. O. M. Green, on December 4, 1939, at Virginia Water.

SIR Victor Sassoon is leaving for the United States early next week and expects to be back in Shanghai before the end of April.

THE marriage arranged between Lieutenant R. G. C. Haines, R.N., and Miss Eugénie Reynell will take place on Friday, January 19, at the Savoy Chapel, London.

AMONG those passing through Shanghai this week were Mr. and Mrs. William G. L. Dunbar, who were married in Victoria, Canada, last May, and have since been on leave in England. Many Shanghailanders recognize Mrs. Dunbar as the former Mrs. A. J. Hughes who resided here for several years.

MR. George Sapojnikoff, better known as "Sapajou," the "North-China Daily News" cartoonist, was guest of honour at the weekly meeting of the Zero Club on Jan. 10 when, on behalf of the Club, he was presented with an inscribed silver cigarette box by Mr. J. D. Watt, President, as a token of esteem for his services to the Club.

MR. S. Fessenden, who was an original member of the Board of Governors of the Country Hospital, has resigned and the vacancy thereby created has been filled by the appointment to the Board by the Municipal Council of Mr. W. J. Keswick, in accordance with the provisions of Clause 7 (a) of the Deed of Trust of the Country Hospital.

THE Shanghai Municipal Council health report for the week ending midnight, January 13, shows that the total number of deaths from all causes amongst the foreign and Chinese population in the Settlement were—Foreigners 12 and Chinese 663. Deaths from notifiable diseases were—Foreigners, Tuberculosis 2, and Chinese:—Tuberculosis 58; Typhoid Fever 21; Diphtheria 7; Dysentery 5; Beri-beri 3 and Malaria, Cerebrospinal Fever 1 each.

LETTERS TO THE EDITOR

Chinese Dollar:

The Question of Exchange

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Referring to a question raised by a gentleman during the lecture at the Foreign "Y" given by Mr. E. Kann, that the Chinese Government had changed the official rate of exchange from 1/2½d. to 7½d. since about one year ago, Mr. Kann's reply was in the negative.

After studying the data concerned, I find that there are two official rates prevailing now. The one is 1/2½d., maintained since the outbreak of hostilities. Another is 7d. promulgated by the Ministry of Finance on July 3, 1939. The latter one applies only to commercial bills and is of course effective in "free China" only. Import bills, covering goods approved by the Government, are sold and export bills are bought by the Bank of China and Bank of Communications in Hongkong and "free China" at that rate. Such measure is operating, as generally believed, to prevent the Government from losing export bills a penalty imposed on importers.

PCCP.

Shanghai, Jan. 9.

Harmonicas Wanted:

For Refugee Children

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I send out this appeal to all the boys and girls of all nationalities in Shanghai.

Do you have an extra harmonica—used but still usable, due to the fact that at Christmas time you received a new one? If so, you can take a real part in a project of some young people who are going every Sunday afternoon to help approximately 500 children in a refugee camp on Wuting Road.

More than twenty young people from the Sunday School at Moore Memorial Church have undertaken to help these children on Sunday afternoons. One definite opportunity is to teach some of them to play the Harmonica. Funds given by one class for this special purpose—due to the high cost of harmonicas at present—were sufficient to buy only two! Your extra mouth harp contributed to this good cause may be the means of putting a lot of music and cheer into the life of more than one refugee, since the plan is to use the harmonicas in classes covering a period of four to six weeks. The reward for outstanding work in these classes will be a harmonica to be the "very own" of the diligent child—providing enough harmonicas are contributed. In case more harmonicas are sent in than are needed in this camp, they will be used for similar purposes among other needy children.

In case you want your extra harmonica to be used in this way please send it to me at my apartment—23, Blackstone Apartments, 1331 Rue Lafayette, or at the office of Moore Memorial Church, 316 Yu Ya Ching Road.

D. L. SHERERTZ.

Shanghai, Jan. 8.

Jessfield Park:

Another Hold-up

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Last Saturday we had a hold-up and another yesterday in Jessfield Park, both in broad daylight.

I understand that a reduction in the staff of watchmen, already far too few, is contemplated, so that in a short time, it appears to me, Jessfield Park will no longer be safe for a person to walk in. At any rate the better-class Chinese will think so, and as the main source of revenue is derived from Chinese, only one thing can be done, and that is close the park.

There is one Englishman on duty in the park on week days and on week nights, and a very good man too, a special policeman thoroughly up to his work. Is he sufficient? Certainly not. There should be at least three more like him, and a considerable increase in the Chinese staff.

If the S.M.C. cry and moan re expense, let them cut elsewhere and make our splendid park safe: because with two attempted murders and these recent hold-ups, the attempts late in '39 and the last yesterday, one cannot feel perfectly safe when taking a walk; otherwise close the place to the public, and allow the Jessfield loafers to play about undisturbed.

DISGUSTED.

Shanghai, Jan. 8.

Metropolitan Killed:

Whites' Sympathy for Finns

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Our old friend UKRAINIAN is at it again. His tactics have changed little, his temper much, for the worse. One can almost see him sputtering in rage as he hammers at the keys (pity the typewriter). Why, his tones show his feelings to be so high—he would pull his tongue at his enemies for lack of a strong enough expression. Luckily for them this can't be done in a letter to the Editor.

But who are these opponents? The Russians or the Reds? UKRAINIAN is using an old and dirty trick—now mentioning the first, now the second, so as to make the unsophisticated reader believe that they are one. This is a dishonest act on the part of the UKRAINIAN because he well knows that nobody rates the Reds more than the Russians, that Communism did not originate in Russia and spread there mostly due to the activities of certain non-Russian minorities and, that "Stalin" himself is not a Russian.

To crown all the absurdity that he piled up in his rage, UKRAINIAN calls Stalin the "Red Tsar." Well now I am sure that UKRAINIAN is seeing red—what else could make a man put these two words together?

Wrath is bad not only for the brain but also for the liver, so I first thought of recommending UKRAINIAN some pills, but oh! he won't listen!

To close this long epistle I would like to assure the supporters of the Finns that I think I won't be wrong to state that the Russian nationalists (Whites) sympathize with the Finns:

1. Because we know what Bolshevism is.
2. Because we know that it is alone to blame for the war. The Russian people have not a word to say in all the doings of the Reds.
3. Because a real hard war will let the said people say their word, and that with weapons in their hands.

SNOW WHITE.

Shanghai, Jan. 10.

Mushroom Growing:

Information Wanted

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I should be very much obliged if any of your readers would give me some information on the subject of the cultivation of mushrooms. A friend tells me they must be grown in a cellar, and that the obtaining of the particular kind of soil required, and other details, make it altogether a difficult proposition; furthermore, that the cultured mushrooms are rather insipid to the taste. Are they grown from seeds? I should be much obliged for any information on the subject.

ENQUIRER.

Shanghai, Jan. 13.

Rheumatism:

Other Cures Suggested

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Replying to the letter of ALSO A SUFFERER in your issue of January 9, I believe that some bracelets made of copper and tin or other metal are on sale at the corner of Avenue Joffre and Route Cardinal Mercier opposite the Cathay Theatre, and while I am not sure of such cures I understand these bracelets do relieve the pain somewhat.

As regards a natural cure or prevention, a cat sleeping during the night at one's feet is supposed to prevent rheumatism, but then you have all the trouble of keeping the cat, so perhaps the bracelet will be cheaper.

Hoping this will help ALSO A SUFFERER.

NOT A SUFFERER.

Shanghai, Jan. 8.

Termites:

A Reader's Anxiety

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Last summer in Hongkong I had bad luck in that white ants (termites) got into my luggage and I had some valuable books, which are not destroyed, but got several light brown spots. I should be thankful if any of your readers could tell me how large are the eggs of the white ants, if there is any danger of getting white ants from these spots, and how they best can be removed without spoiling the books.

WHITE ANTS.

Shanghai, Jan. 8.

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Sea Food:

A Hearty Eater

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—During a recent holiday in Japan I attended a small luncheon party of foreigners at Shimabara in the course of which one of the guests consumed approximately 250 raw oysters in addition to other sea food consisting of crab and prawns. It would be interesting to know whether any of your readers have had a similar experience.

LEBED.

Shanghai, Jan. 10.

A Reader Disbelieves

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Oh! I say MR. LEBED how cru-el. I'm sure a large proportion of those poor innocent bivalvular molluscs must have been mothers. Are you by any chance a member of the S.S.P.C.A.?

But seriously, were the oysters shelled or unshelled, and if so what's the difference? Also, do tell us how many bottles of Tomato and/or Worcestershire sauce it took to season your little snack. Or was it washed down with a keg of vinegar?

As a matter of fact I have had a *somewhat similar experience*. Some years ago, when I was really tough, I had been trekking across the frozen veldt for three or four weeks without anything to eat—I think I was trailing a herd of rattlesnakes—when my sampan ran gently up on to a beautiful sandy beach. There to my indescribable joy I saw four, or was it five, I forget, suckling pigs in a bush caught by their horns. And boy! oh boy!, did I eat them? I certainly did, without even taking off the skins or spitting out the pips.

MUNCHAUSEN.

Shanghai, Jan. 11.

A Reader and Ice Cream

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—With reference to MR. LEBED's interesting letter, I recall a somewhat comparable experience when I was a very small boy. Having acquired a surreptitious half-crown I set off for the corner sweetshop for an orgy of ice cream. After an ice cream cone, an ice cream wafer, and ice cream in glass, I enquired in what further forms ice cream was purveyed, and then had an ice cream boat, and ice cream in dish. Back again to the cone, wafer, and so on. By the time my half-crown was finished I seem to recall I was not feeling too well.

Before concluding, I should like to express my severe disapprobation of BARON MUNCHAUSEN's sarcastic reply on the subject of oysters. Surely it was obvious to any thinking person that the figure "250" appearing in MR. LEBED's letter was a mistake (either in typing or typ-setting) for 25 (twenty-five). The volume of 250 oysters far exceeds the capacity of the human stomach, but BARON MUNCHAUSEN does not pause to reflect on this but promptly launches his scorn at MR. LEBED's unoffending head. And as for the Baron's suckling pig story, I quite frankly do not believe it.

It would be interesting to know Mr. Ripley's reactions to this correspondence.

XS.

Shanghai, Jan. 12.

It Has Been Done

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—In connection with the most interesting letter of your correspondent LEBED on the subject of the meal of sea food at Shimabara, I wish to state that in the year 1935, I was in Shimabara in company with a well-known author and sinologue and two other Shanghai residents, when each member of the party, including one lady, enjoyed a meal in the Tsukomo Hotel of certainly not less than 250 oysters per person in addition to other sea food.

The doubts expressed by your correspondent MUNCHAUSEN cannot be regarded seriously for several reasons, viz:—(1) He cannot be a gentleman (lady) of culture, because gentlemen do not spit, they expectorate, (2) He (she) is obviously an ignorant person because pigs (even suckling) do not have pips; they have pimples vide old song "You can't get many pimples on a pound of pickled pork," and (3) Shimabara oysters do not have shells but containers (with zip fasteners) which must be returned, so there is no cause to eat the shells.

SAINNANA.

Shanghai, Jan. 12.

Some Other Feats

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I am astonished at the lifting of eyebrows locally at the claim of LEBED that he ate 250 oysters at Shimabara and then proceeded to have his chow, which was largely seafood. To people in the know, this is not a record in consumption: it is an insult to anybody possessing capacity or the desire to consume.

It is only a few years ago since a gentleman acting as correspondent for a local newspaper went on an official inspection trip in Kiangsi province where the Chinese Government had done a good job of work clearing out the Communists. The official party was entertained at Kiukiang by the Mayor, who thought he knew a little about tippling, and had a few with this correspondent. The Mayor of Kiukiang was considered the second-best drinker in Kiangsi province but, to use a vulgar term, he passed out. At Nanchang, the Garrison Commander had heard of this and challenged the correspondent to an alcoholic contest in Chinese wine. They started with single cups, increased them to bowls of five, and at the 67th the Garrison Commander's bodyguard carried their charge out in a bamboo chair. The correspondent, somewhat bored and somewhat thirsty, helped himself to two brandy ginger ales.

Now someone else tell one because this is true and not Munchausen-itch.

READER.

Shanghai, Jan. 13.

4th Marines' Band:

Selections Praised

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I feel sure I am expressing the feelings of a great majority of Shanghai radio listeners when I say that the weekly concerts of the Band of the 4th Regiment, U.S.M.C., over Station X.M.H.A., comes as rain to a parched desert—this particularly so when the musical variety generally offered by local stations on Sunday afternoons leaves much to be desired, through constant repetition, by those who do not habitually step out but prefer a quiet afternoon at home. And oddly enough, with the best in light classics being sometimes given just as one is hurriedly leaving the breakfast table on weekdays for office.

And, in commending the excellent standard of the Band and the taste of its able conductor as shown by his selections, let us not forget the fact that it is all being given solely in the spirit of public-mindedness and of the true democratic variety—a something our city step-fathers, with their Orchestra, chiefly for the delectation of certain French Concession residents, might do well to emulate.

To the officers and men of the U.S.M.C., and to 1st Tech. Sgt. R.T. Griffin and his Band therefore, this short letter of sincere thanks. May they be assured that their worthy efforts in this connection—outside that of the protection they are affording us—are most highly appreciated.

SUNDAY AT HOME.

Shanghai, Jan. 12.

Russia and Finland:

The Russians' Duty

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Now that SNOW WHITE has openly shown his and as he claims the Russian nationalist feeling towards the war in Finland and their sympathy to the Finns, I would like to refute some of his statements, as most of the Russians think as I do—(Mind you *just* Russians).

Most of us here, are antagonists of the present regime in our country, but just for this enmity, how can a Russian crave for Russia's defeat, in this restorative war for the pre-war frontiers.

If memory does not fail me:—back in 1920 in Russia's war against Poland, how many Russian Nationalists joined the Red Army in its fight, and at the height of the White movement, too.

It seems to me that now it is not the moment for a separatist movement nor for a revolutionary one—Russia was great when it was united. We Russians should take part in Russian people's campaign and not inspire hatred and revolutionary feeling in the hearts of the true Russians.

A revolution is always bloodthirsty and will demand years of recovery ment. We must only desire a mild evolution with the friendly collaboration of the tribes that formed the Russian Empire.

Closing this letter I hope that SNOW WHITE, while he stays as White as he can, will always remain a Russian.

NOT RED

Shanghai, Jan. 13.

Animated Cartoons:

Poor Copiers of Disney

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Can nothing be done to eliminate the boredom for the first fifteen to twenty minutes which the local film fan invariably has to endure before the main feature is shown? I refer, of course, to the extremely stupid animated cartoons without which the theatres in this city appear to consider no programme complete.

It may be that there are those who enjoy this type of picture, but their numbers must be few judging from the absence, during the showing, of any audible form of expression to which the normal human being gives vent to show his appreciation—children and adults maintaining a stony silence—and I am sure that the majority of patrons of theatres would indeed welcome a substitution for what can only be termed rubbish.

To my mind only one man has ever produced an entertaining animated cartoon—Walt Disney. Many others have tried to copy him, but they have failed lamentably, inflicting on us results which are neither amusing nor artistic.

This protest may be just a voice crying in the wilderness; nevertheless I plead for more entertaining short features. In this category one can suggest news reels, travelogues, *scientific series of unusual occupations*, etc., etc. Failing their ability to accede to this request would it not be possible for the theatre managers to advice their patrons of the time the actual feature billed will commence, and, in this way, no unfortunate will be forced to sit through fifteen to twenty minutes of extreme boredom.

ANTI-ANIMATED CARTOON.

Shanghai, Jan. 11.

Wanted:

Information About Coin

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I wonder if any of your readers who are interested in numismatics could *furnish some further* particulars about the coin described hereunder and give some idea of its value from a collector's point of view.

This coin is silver, very small, being about $\frac{1}{16}$th inch in diameter. One side shows the profile of Queen Victoria, with the words: "Victoria D. G. Britannia Regina F. D.", whilst the reverse has a large "1½" surmounted by a crown, and the date 1843 beneath.

TUPPENCE.

Shanghai, Jan. 9.

Coin Recognized:

As Maundy Money

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—In reply to your correspondent TUPPENCE he might do worse than join the Numismatic Society of China where he will have the opportunity of obtaining quite a lot of information from a well-stocked numismatic library. However, the coin he refers to is known as *Maundy money and is of little value*. Maundy money of the early Georges do command a fair figure. The value of a coin depends largely on its condition and to what extent a collector will go financially to secure it.

G. H. PARKES.

Shanghai, Jan. 10.

F.M.C. Increases:

Has Effect Been Studied?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—With reference to the report in today's issue of the "North-China Daily News," of an increase in the French Municipal Concession's Budget for the year 1940 of approximately 50 per cent. it is sincerely to be hoped that due attention has been given by the authorities concerned to the result of such increase should any peace proposals mature in the near future which would mean the opening up of the now closed areas of Nantao, Kiangwan, Hongkew, etc. In the writer's opinion a general efflux of population would prove to be a major catastrophe for the Concession and how it can be avoided when even a truce hereabouts is proclaimed is surely a problem now.

The Ratepayers have little to say in the Administration of the Concession. Their only means of silently protesting is to pack up and go and live in less expensive areas, and this is highly probable in the coming months.

B.

Shanghai, Jan. 11.

In Nazi Germany:

Kissing Goes By Favour

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I think it might interest your readers to learn some of the contents of a letter just received from Germany by a German resident of Shanghai. After a few non-interesting items the letter reads as following (translated from German):

....."It will certainly be a great pleasure for you to hear that your friend Legationsrat Dr. Br. (during Herr v. Ribbentrop's ambassadorship in London member of the German Embassy) is still in great favour with his boss (Herr v. Ribbentrop), who has just presented him with a lovely country-estate in the Salzkammergut. The fate of the former owner of the estate is unknown.—But there was, maybe, even a more pleasant surprise in store for Dr. Br., when he first visited his new ancestral home: all the wardrobes were filled to capacity with suits, laundry etc. belonging to the former owner and little tailor work was needed to make them fit." Thus the problem of textile-rationing does not exist for Dr. Br. for the time being."

I think these lines speak for themselves. Men like Dr. Br, will get their rewards in Free Germany.

SCHWARZE FRONT.

Lost Dogs:

Why Not Advertise?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—It *is beyond my comprehension* why people who have lost their dogs and wish to recover them do not advertise immediately in the daily papers.

One hesitates to take charge of what appears to be a lost dog on the streets in case it is one that has been trained to know its home and is just out for a run, which to my mind is very unwise unless accompanied by a foreigner or a really reliable Chinese.

In the case of the Airedale "George" for instance, I believe I saw this dog on two occasions in Bubbling Well Road, before seeing the notice about him in one of your contemporaries. Had I seen some reference to "George" a day earlier I most certainly would have taken him home with me and turned him over to the S.S.P.C.A. as soon as possible.

A REAL ANIMAL LOVER.

Shanghai, Jan. 10.

Russia and Germany:

Fuehrer's Frying Pan Leap

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—One quite agrees with that finding, but who is naive enough to suppose for a moment that Moscow has either the intention or even the wish to save Nazidom? The pact promised too good a chance both for a slap at England and a stranglehold on the Baltic countries and Germany for the Soviets to pass it up—*voila tout!*

Soviet Russia is the avowed enemy of all countries that do not march *under her leadership and adopt her* particular brand of pillage and slavery. In either political or economical dealings with her, how can anything but treachery be expected? By this time even Hitler, mad as he is, must begin to realize what this wild leap out of the frying pan means.

ANCIENT.

Shanghai, Jan. 12.

Retrocession:

Authorship of Letter Denied

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—My attention has just been drawn to the appearance of a letter in your issue of January 8 purporting to have come from the above address of the "retrocession commissioner" with my printed signature over a printed seal. This letter I have to inform you has not come from the above address nor have I any knowledge of such a letter having been sent from here.

You will therefore be good enough to publish this correction.

I am inclined to think that the letter was sent by some unfriendly person who wishes to ridicule or embarrass me in the estimation of my friends and others.

KAN TEH-YUN.

Nanking, Jan. 12.

A Quotation:

Scenario Writer's Mistake

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Could you or any of your readers kindly tell me whether these lines from one of Shakespeare's plays were quoted from Romeo and Juliet or from Julius Caesar:

"Cowards die many times before
their deaths, the valiant never tastes
death but once."

I had been definite it was from the latter play, but in the picture "Frontier Marshal" Nancy Kelly quoted it from Romeo and Juliet, thus making me to forward this inquiry.

P. A. U.

Shanghai, Jan. 14.

***"*Cowards die many times before* their deaths;
The valiant never taste of it but once."—
Julius Caesar Act II sc. 2.—Ed.

A Correction:

A Blunder Committed

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—In a letter appearing on January 9 in this column under the title "Metropolitan killed" a blunder was committed in the following passage: "He was no less feared by the Ukraine's foes as by those hotblooded partisans of the O.U.N. a Ukrainian organization after the Macedonian lines" .... Of course no Ukrainian organization had ever to be afraid of a Ukrainian Metropolitan. It should be "..... no less feared by the Ukraine's foes than were feared those hot-blooded" etc. ....

I beg you to excuse me for an embarrassment caused to you by this letter and beg kindly to correct the aforesaid blunder, as a statement of such a nature certainly puts me in a peculiar light before the stupefied Ukrainian readers of this journal.

A UKRAINIAN.

Shanghai, Jan. 10.

Squeeze?:

Reader in Restaurant

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I should like to ask through the medium of your valued paper, is a tax levied by restaurants legal or just another Chinese squeeze?

Last night I dropped into a café, for a bite to eat, and when tendering $4 in payment of my chit for $3.60, was given 20 cents. in change. I asked at the desk for reason, and was told 20 cents had been deducted for Refugee Fund.

If this tax has the approval of our S.M.C. then quite all right, if not, somebody is playing on a soft wicket, so what about it?

HATE SQUEEZE.

Shanghai, Jan. 13.

CHINA HONG LIST 1940

The Hong List is now on sale at the North-China Daily News Office and all Booksellers.

PRICE: TWENTY DOLLARS.

North-China Daily News Office
17 The Bund, Shanghai

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COMMERCE AND FINANCE

Money and Exchange

Hongkong & Shanghai Bank

TUESDAY, JANUARY 16, 1940

BANK'S SELLING RATES 10 A.M.

£1 @ 4 13/16d.	$ 49.67
U.S. $100 @ 7 13/16	$1,259.04
Francs 353	$100
Yen 33 3/4	100
Guilders 143 3/4	100
Rupees 26 3/8	100
Pesos 15 7/8	100
Hongkong $32 1/8	100

BANK'S BUYING RATES 10 A.M.

£1 @ 4 15/16d.	$ 49.60
U.S. $100 @ 8 1/16	$1,221.37
London—demand. $1=	4 13/16d.
4 months' sight credits	5 d.
4 months' sight docts	5 1/16d.
6 months' sight credits	5 1/16d.
6 months' sight docts	5 3/16d.
New York—demand, $100=	U.S.$6 7/16
4 months' sight credits	U.S.$6 1/4
4 months' sight docts	U.S.$6 3/8

INTERBANK CLOSING SELLING RATES

Sterling 4 13/16d.	U.S. $6 3/4
Hongkong/London	1/2 1/16

WEI WAH DISCOUNT

Wei Wah $1,023.00	C.N.$1,000.00

Netherlands Trading Society

Netherlands Guilders	Buying	15 1/2
Java Guilders	"	15 3/8
Netherlands Guilders	Selling	15
Java Guilders	"	14 7/8

American Express Co., Inc.

Buying	U.S.$100=$1,230.769	£1=$48.917
Selling	U.S.$100=$1,259.053	£1=$49.870

Italian Bank for China

It. Lire 1.56=$1	Swiss Frs. 0.35 1/2=$1
Tourist Lire 1.75	=$1

Banque Belge Pour L'Etranger

Belgas 0.47 1/2=$1	Belgas 23.50=£1

Hua Hsing Commercial Bank

Sterling	Selling Rate	@ 6d	per	H.H.$ 1
"	Buying "	@ 6 1/8	"	H.H.$ 1
U.S.$	Selling	@ 9 1/8	"	H.H.$100
"	Buying	@ 10 1/16	"	H.H.$100

LOCAL DOLLAR (FAPI)

Selling Rate	@ 123	per	H.H.$100
Buying "	@ 128	"	H.H.$100

Local Exchange Report

Messrs. Drakeford, Davis & Wilson

INTER BANK CASH DELIVERY

£	Highest 4 13/16	Lowest 4 3/4
U.S. G.$	8 1/32	8 1/32
Yen	—	—

MERCHANT CLOSING RATES

Cash	SELLING		BUYING January
£ T.T.	4 7/8	4 m/s. l.c.	5
G.$ T.T.	8 1/32	4 m/s. l.c.	8 3/32
Fcs. T.T.	357	4 m/s. l.c.	372
Rs. T.T.	27 1/8	15 d/s.	27 1/2

BAR SILVER

	READY	FOR'D
London pence per std. oz.	21 3/8	21 3/4
N.Y. cents per oz. troy	34 3/4	—
Bombay Rs. per 100 tolas	61.01	—
Bombay offtake 25 bars.		

NEW YORK/LONDON CROSS RATE

New York closing Rate for Cash	3.97 5/8
Local sellers U.S.$ for Cash	3.97 1/8
Local buyers U.S.$ for Cash	3.97 3/8

The local exchange market opened with sellers to merchants at 4 13/32 sterling and 8.– U.S.$.

The Interbank market opened with spot sellers at 4 13/32 sterling and 8.– U.S.$. On the whole the market was steady, and during the day rates gradually advanced. In response to small selling from Hongkong for near sterling, the market closed with sellers at:—

4 13/32	sterling	8 3/32	U.S.$	Cash
4 7/8	"	8 1/32	"	Jan.
4 29/32	"	7 15/16	"	Feb.

Manila Gold Shares

(Bids in Pesos)

Jan. 16	Big Closing a.m.		Prices p.m. Closing	
Atoks	.21	S	.21	S
Antamok	.16		.165	S
Baguio Gold	.24	S	.24	S
Batong Buhay	.014	S	.015	S
Benguet Consolidated	5.00*	S		
Big Wedge	.215		.22	
Coco Grove	.14	S	.15	S
Consolidated Mines	.0035	S	.0035	S
Demonstration	.11		.115	
East Mindanao	.115	S	.115	S
I. X. L.	.405	S	.405	S
Ipo Gold	.135		.13	
Itogon	.275	S	.26	S
Masbate Consolidated	.11	S	.11	S
Mine Operations	.115		.115	
North Camarines	.15	S	.15	S
Paracale Gumaus	.205	S	.205	S
San Mauricio	.67	S	.68	S
Surigao Consolidated	.185		.18	
Suyoc	.135	S	.135	S
Syndicate Investment	.025		.026	S
United Paracale	.315	S	.315	S
Mindanao Motherlode	.09		.0925	S

*—Over counter.
S—Sales.

Turnover for the Morning: 101,800 Pesos.

Shares Index: (Morning Session) 79.19.
—Reuter.

December Rubber Outputs

	lb.
Padang Rubber Co., Ltd.	37,600
Consolidated Rubber Estates (1914), Ltd.	83,360
S'hai Kedah Plantations, Ltd.	67,044
Bute Plantations (1913), Ltd.	67,300
Tanah Merah Estate (1916), Ltd.	89,000
Dominion Rubber Co., Ltd.	47,937
S'hai Pahang Rubber Estate, Ltd.	35,385
Sungei Duri Rubber Estate, Ltd.	53,000
Kota Bahroe Rubber Estates (1921), Ltd.	65,016

London Stocks

Monday's Closing Quotations

	Jan. 12	15
War Loan 3 1/2% (Red.)	£96 11/16	95 1/4
JAPANESE BONDS		
Japan 5% Stg. Loan 1907	54	53 1/2
Japan 6% Stg. Loan 1924	58 1/2	58
	Osaka, Jan. 16.	
Kogo 5%		Y.105.92
COMMERCIAL AND INDUSTRIAL		
Allied Ironfounders	14/3	14/3
Armstrong Stevens	6/–	6/-
Assoc. Elec. Indus.	38/4 1/2	38/11 1/2
Austin Motors, ord.	15/9	15/9
Bristol Aeroplane	15/4 1/2	15/3
British American Tob.	96/11 1/2	96/3
Cable & W., new form	57 1/2	57 1/2
Cammell Laird, ord.	7/10 1/2	7/7 1/2
Courtaulds	35/10 1/2	34/9
Distillers	67/3	66/6
Dunlop Rubber	29/11 1/2	29/6
General Elec. (Eng.)	75/4 1/2	75/4 1/2
Guinness (A) Son & Co.	77/6	77/6
Hawker Siddeley Aircraft	14/6	13/9*
Imp. Chem. Indus.	30/1 1/2	29/9
Imp. Tobacco	116/3	114/4 1/2
Leyland Motors	77/6	75/-*
Marks & Spencer "A" ord.	52/3	52/1 1/2
Pressed Steel, com.	15/6	15/3
Rolls-Royce	90/-	90/-
Smethwick Drop Forgings	13/6	13/6
Tate & Lyle	56/-	55/6
Turner & Newall	63/9	63/-
United Steel	21/10 1/2	21/10 1/2
Vickers ord.	17/10 1/2	17/6
Woolworths	63/-	61/3*
MISCELLANEOUS		
Anglo Dutch	26/-	25/7 1/2
Rubber Pltn. Inv. Trust	34/1 1/2	33/9
MINES		
Burma Corp.	11/6	11/3
Commonwealth Min.	Unq.	Unq.
Marsman Invests.	14/6	14/9
Randfontein Ests.	36/10 1/2	36/10 1/2
Sub-Nigel	198/9	197/6
Tanami Gold Min.	3d.	3d.
Western Holidings	12/3	11/9
OILS		
Anglo-Iranian	56/10 1/2	56/10 1/2
Burmah	61/10 1/2	62/6
Mexican Eagle	6/10 1/2	6/6
Shell Trans. & Trad.	70/10 1/2	70/10 1/2

*—Ex dividend.

CHINESE EXTERNAL LOANS, ETC.		
4 1/2% Gold Loan, 1898	£60	60
5% Gold Bonds, 1925-47	52	50
4 1/2% Anglo-French Loan	50	50
5% Crisp Loan, 1912	30	30
5% Reorg. Loan, 1913	44	42
5% Stg. Notes, 1925	12	12
5% Honan Rly., 1905	16	16
5% Hukuang Rly., 1911	19	19
5% " " (Ger. ls.)	17	17
5% Lung Tsing U. H. Rly.	14	14
5% S'hai-Nanking Rly.	20	20
5% T'tsin-Pukow Rly. B.	16	16
5% " " G.	16	16
5% " " (Supl. Loan) B.	16	16
5% " " (Supl. Loan) G.	16	16
5% Canton-Kowloon Rly.	16	16
S'hai Elec. Construction	13/-	13/-
S'hai Waterworks "A"	12	12
Un. Ins. Soc. of Canton	24 3/4	24 3/4
Chartd. Bank of I. A. & C.	8 5/8	8 5/8
H'kong & S'hai Bank	86 1/2	85
" " (Col. Reg.)	88	87
Mercantile Bank of India	11 3/4	11 3/4
Chinese Eng. & Min.	18/-	18/-
Chosen Corp.	6/6	6/6
Pekin Syndicate	1/6	1/6
Gula Kalumpong Rubber	23/1 1/2	21/10 1/2

Australian Wheat For Britain

SPECIAL TO THE "N.C.D.N."

Sydney, Jan. 12.

Australia is supplying Great Britain with 50,000,000 bushels of wheat, nearly half the exportable surplus, it is announced here today. Britain will arrange for her own shipments.—Reuter.

Wheat Loading Already Begun

SPECIAL TO THE "N.C.D.N."

London, Jan. 12.

The Ministry of Food announced today that they have entered into an agreement with the Australian Wheat Board to purchase 1,650,000 tons of wheat and flour. Arrangements for shipment are in hand, and loading has commenced.

The Ministry is taking complete control over all meat supplies in the country on January 15. Meat rationing, however, will not take effect until a later date.—Reuter.

Rubber Companies Forward Sales

Messrs. Geddes Trading & Dairy Farm Co. Ltd., advise that the following companies have sold forward an additional five tons for January/February/March, 1940, at 38 1/2 cents per lb., the Ayer Tawah Rubber Plantation Co. Ltd., and the Sungala Rubber Estate Ltd.

Messrs. A. R. Burkill & Sons, Ltd., advise that the following companies have sold forward approximately one-third of the exportable quota based on 80 per cent. of Standard Production for July/September 1940 at 36 1/2 Straits cents per lb., loose. Bute Plantations (1913) Ltd.; Consolidated Rubber Estates (1914) Ltd.; Dominion Rubber Company, Ltd.; Kota Bahroe Rubber Estates (1921) Ltd.; Shanghai Pahang Rubber Estate, Ltd.; Sungei Duri Rubber Estate, Ltd.; Padang Rubber Company, Ltd.; Shanghai Kedah Plantations, Ltd.; Tanah Merah Estates (1916) Ltd.

The Shanghai Kelantan Rubber Estates (1925), Ltd., announce that one-third of their exportable quota for July to September 1940 has been sold forward at 36 5/8 Straits cents per lb

China's Exports Increased

Chungking, Jan. 16.

Despite the Japanese blockade and the European war, China's exports through Hongkong are showing a big increase.

In the first eleven months of 1939, the total value of Chinese goods exported through Hongkong amounted to 274,000,000 Hongkong dollars, it is officially announced here.

A heavy foreign demand for wood oil and teas was mainly responsible for the spectacular increase in exports, which rose from 23,250,000 Hongkong dollars in October to over 27,000,000 Hongkong dollars in November, compared with 21,000,000 Hongkong dollars in September.

The export of bristles, however, has been affected by the European war, as Germany formerly imported large quantities of bristles from China.

Tung Oil Now Monopolized

It is officially announced that the marketing and exporting of tung oil shall now be centralized under the Fooshing Trading Corporation of the Ministry of Finance, in close collaboration with the Foreign Trade Commission. The corporation is capitalized at $60,000,000.

The Central Trust is at present controlling the export of bristles.

China exported last year over 40,000 tons of wood oil, mostly to the United States, paying off American credits amounting to U.S.$25,000,000.

China's annual production of wood oil is about 70,000 tons. America's purchase last year was about U.S.$15,000,000.—Reuter.

New York Stocks

Monday's Closing Quotations

	Jan 13	15		Jan 13	15
Adams Exp	8	8	Jones & L	*57 1/8	56
Alg Lud	19 1/2	18 3/8	Kennecott	35 1/2	35 1/4
Alld Stres	7 3/8	8 1/4	Lak F & M	4	4
Allis Chal	36 3/8	37	Libbey O F	48 3/4	48 1/4
Alumin Ld	99	99	Lockheed	28 1/2	29 3/8
Amer Can	114 1/4	113 1/4	Loews	34 1/4	34 1/4
Am Cyan B	32 1/4	32	Mack Trks	25 1/2	25
Am For Pr	2	1 1/4	Martin G	36 3/8	36 3/8
" $7 pfd	23 1/4	24	McK & R	*16 1/2	*16 1/2
Am G & E	*38	37	Monsanto	104 1/2	104 1/2
Am Loco	19 1/2	19 1/2	Mont Ward	51	51 1/8
Am Metal	23	23	Nat City B	*28 1/2	*28 1/2
Am Radtr	9 1/8	9 1/8	Nat Avian	11 1/8	11 1/8
Am R Mill	15 1/4	15 1/4	Nat Dairy	16 1/8	16 1/8
Am Smltg	47 1/2	47 1/2	Nat Dist	23 1/2	23 1/2
Am Sug R	19 1/2	19	Nat Gyp	11 1/2	10 7/8
Am T & T	168 3/4	168 1/2	Nat Lead	20	19 1/4
Am Tob B	*86 1/2	87 1/2	Nat P & L	8 3/8	8 1/4
Am Wtrwks	10 3/4	11 1/8	Nat Steel	69 1/4	68
Anaconda	28	28 1/8	Nat Supply	*8 1/2	8 1/2
Atchison	22 3/8	22 1/8	N Y Cent	16 3/8	16 3/8
Auburn	2 1/4	2	Ning Hud	5 1/8	5 1/8
Bald Loco	15 1/2	15 1/2	N A Avian	23 1/2	23 1/2
Balt & Ohio	5 1/2	5 1/4	N Am Co	22 1/4	22 1/4
Barber	*13 1/2	14	N Pacific	8 1/8	8 1/4
Barns Oil	12 1/2	12 1/2	O I Glass	61	60 1/2
Bendix	27 1/4	27 1/4	Pac G & E	32 1/2	32 1/8
Beth Steel	73 3/4	73 3/4	Pac Light	*49	49 1/8
Bliss	13	*13	Packard	3 1/4	3 1/4
Boeing	22	22 1/8	Paramount	7 1/8	7 1/8
Borg War	23 1/2	23 1/4	Penn R R	21 1/4	21 1/8
Briggs	20 1/2	20 1/4	Phelps D	35 1/8	36
Bkn-M Tr	14 1/2	14 1/2	P & R Coal	*0 1/8	*0 1/8
" $6 pfd	51	*48 1/2	Phil Pet	39 1/2	39
Budd Mfg	5 1/4	5 1/8	Pitts C & I	*7 1/8	*7 1/8
Can Pac	5	5	P S of N J	40	40 1/2
Case J I	*70	—	Pullman	27 1/2	28
Celanese	27 1/8	27 1/2	Pure Oil	8 1/2	8 1/2
Chase N B	*34	*33 1/2	Radio	5 1/8	5 1/2
Ches & O	39 1/2	39 1/2	Reading	14 1/2	14 1/2
Chrysler	63	62 1/2	" 1st pfd	*25 1/2	25 1/2
Clim Mlyb	36	38	Rem Arms	*4 1/8	*4 1/8
Colts	80 1/4	78 1/4	Rep Avian	5 1/8	5 1/8
Col G & E	6 1/4	6 1/4	Rep Steel	20	19 7/8
" 6% pfd	89 1/4	*89 1/4	Rev C & B	12 1/2	12 1/2
Com. Cred	47	47 1/2	Rey Tob B	40 1/2	40 1/2
Com & Sth	1 1/8	1 1/8	Richfield	7 1/8	7 1/8
Cons Edis	30 1/4	30 1/4	Safeway	44 1/8	44 1/8
Cons Oil	7 1/8	7 1/4	Schenley	12 1/2	12 1/2
Cont Can	42 1/2	42 1/2	Sears Roeb	81 1/2	81 1/8
Cont Oil	23	23 1/4	Shell U O	*11 1/2	11 1/2
Copwld St	*15 1/4	15 1/8	Soc-Vac	11 1/2	11 1/8
Corn Prod	*62 1/4	63 1/2	Sthrn Pac	13 3/8	13
Curtiss Wr	9 1/8	9 1/8	Sthrn Rly	30 1/2	29 1/4
" A	28 1/8	28 1/8	Sperry	43	43
Deere & Co	20 1/2	20 1/4	Spicer	*30 1/2	*29 1/2
Dist Cpn S	18 1/2	18 1/8	Std Brands	6 1/8	7
Douglas	76 1/4	76 1/2	Std C & E	2 1/8	*2 1/8
Du Pont	177 1/4	178	Std Oil C	25	25
E P Lead	10 1/4	10 1/8	Std O of NJ	43 1/8	43 1/8
Eaton Mfg	29 1/2	28 1/2	Stone & W	11 1/2	11 1/8
Elc A Lite	36	35 1/2	Studebaker	9 1/2	9 1/8
Elec B & S	7 1/2	7 1/2	Swift Int	31	30 1/2
" $5 pfd	60 1/2	58 1/2	Technicor	13 7/8	13 1/8
" $6 pfd	67	66 1/2	Tex Cpn	44	43 1/8
E P & Lt	32 1/2	33 1/2	Tex Gulf	33 1/2	33
Fisk Rub	14	14 1/4	Transamer	5 1/2	5 1/8
Flintkote	18 1/2	18 1/4	Tw Cent F	12	11 1/8
Gen Am Tr	53 1/2	51 1/2	" pfd	24 1/2	*24 1/2
Gen Elec	38 7/8	38 1/4	Un Carbide	82	82
Gen Motors	51 1/2	51 1/2	Un Pacific	93 1/2	93
Gen Ry Sig	*16 1/2	*16 1/4	Un Aircraft	44 1/2	44 1/2
Gen T & R	21	20 1/2	Un Air L	14 1/2	14
Glidden	17 1/4	17 1/4	Un Copn	2 1/8	2 1/4
Goodrich	17 1/2	17 1/8	" $3 pfd	38 1/2	38 1/4
" $5 pfd	64	63 1/4	Un Gas	1 1/8	1 1/8
Goodyear	22 1/8	22	Un G Imp	14 1/8	14 1/4
Gt N I Ore	17 1/2	*16 1/2	U S Ind Al	22 1/2	22
Gt N Rly	23 1/8	23 1/8	U S Rubber	37 1/8	36 7/8
Gt W Sugar	27 1/4	28	" 8% pfd	109 1/2	109
Greyhound	16 1/8	16 1/4	U S Steel	60	59
Her Pow	88	87 1/2	Vanadium	30	30
Homestake	60	60	Walworth	*5 1/8	5 1/8
Int Harv	55 1/4	55	War Br Plc	3 1/8	3 1/4
Int Nickel	36 1/8	36 1/4	West Elec	108	106
Int T & T	4 1/8	4	Woodward	22 1/8	22 1/4
Johns Man	72	71			

BONDS

Amer. & For.	*61	61 1/2
Baltimore & Ohio	26 1/2	26 1/8
Brazil (U.S. of) 8%	18 1/4	18 1/2
Brazil (U.S. of) 6 1/2%	14	—
Cities Serv.	91	89 1/2
Erie R.R. 4s 1967	15 1/2	15 1/4
Int. Tel. & Tel.	43 3/4	42
New England Gas & Elec.	66 1/2	65
Republic of Colombia	29	28 1/4
Republic of Colombia	29	27 3/8
Shinn. Pacific Co.	47	46 3/4
Stand. Gas & Elec.	66 1/2	65 1/4

*—Bid.

Turkey and Allies Sign Commercial Pact

Paris, Jan. 9.

A commercial and financial agreement between Great Britain, France and Turkey was signed here today.—Reuter.

Nanking Railway Not Yet Paying?

Shanghai, Jan. 11.

Replying to "strong representations" made by Sir Robert Craigie, British Ambassador to Japan, official circles in Tokyo on December 16, declared that the financial condition of the Shanghai-Nanking Railway Company made it impossible to pay interest to stockholders. It was admitted that British funds were invested in the company.

They stated that the rolling stock of the company had been removed by Chinese troops prior to their retreat from Shanghai and Nanking and that bridges and rails had been destroyed. It had been necessary these sources stated, for Japanese forces to make repairs before the railway could be used, and at the present time trains were being used for military purposes. Such being the case, it was asserted, that the line was not making a profit to justify the payment of interest.

Company's Report

To try and substantiate this claim the Central China Railway Company, a subsidiary of the semi-official Japanese Central China Development Co., in its half-yearly report, May 1 to October 31, 1939, shows a loss of $2,368,043.93. A careful survey of the above accounts reveals that the alleged loss for the period under review is due to the insertion in the accounts, among expenditures, an item for "railway protection," of $3,104,331.89. This sum is incidentally nearly three quarters of a million dollars more than the so-called loss.

The railway has thus been charged with part of the Japanese military expenditure around Shanghai, to turn what is actually a substantial net profit of roughly $750,000 into a big loss. Other items on the expenditure side also seem to have been over-debited, and really the net profit should be still greater.

Accounts

The total revenue of the company for the half-year, from May-October last year, according to the accounts was $10,401,087.07, of this sum $5,416,027.58 is from freight receipts and $4,743,758.87 from passenger fares. The company carried during the term under review 1,571,682 of commercial freight and 2,794,694 passengers, besides Japanese military supplies and troops.

Mining Enterprise Being Formed

Peiping, Jan. 9.

Another Japanese-sponsored company is shortly to be formed here. It will be known as the Tatung Coal Mining Company Limited.

Established under the auspices of the Japanese-sponsored Mongol Federal Autonomous Government, the company will mine and sell coal from the Tatung district, in northern Shansi.

It will also co-operate with the well-known Lung Yen Iron Mines for the development of mining industries in North China.

The company, it is announced, will be capitalized at $40,000,000 (Federal Reserve Bank currency).—Reuter.

Franco-Spanish Trade Accord Initialled

Madrid, Jan. 15.

French and Spanish delegations here yesterday initialed a commercial accord between Spain and France. Previously, Marshal Henri Petain, French Ambassador to Spain, notified the delegations that he had arranged for a shipment of wheat and additional supplies immediately to Spain. The commercial accord was expected to be signed formally next Tuesday.—United Press.

Hongkong's Increased Kuangtung Trade

FROM OUR OWN CORRESPONDENT

Hongkong, Jan. 7.

With the evacuation of Japanese forces from Shumchun, the last contingent of British troops have returned to their barracks in Hongkong. This ease of the situation is due to increasing friendship between Great Britain and Japan.

The Japanese retirement makes it possible for a flow of trade between the Colony and the hinterland of Kuangtung. Goods are now going into the interior via Shumchun and Shayuechung to Waichow, points along the Canton-Hankow Railway and the entire area along the East River almost as far as Swatow. Much of the transportation will be by buses or human couriers. From this route goods can go as far as Shaokwan, the objective of recent Japanese attacks.

Hongkong people are, however, warned not to supply arms and ammunition to the guerillas round Shumchun and that New Territories must not be used as bases for guerilla activities.

While there is a resumption of restricted trade with the interior, industrialists here are worried by the ban on goods from Hongkong by the Malaya authorities, who want to keep out imports from foreign countries and possessions. There is a discrimination, it would seem, against goods from places not using sterling. This has the effect of hitting Hongkong, which has a currency of its own about three times the value of the Chinese National dollar, but 65 per cent. of the Malaya dollar.

It is not believed that the ban in Malaya is directed specially against Hongkong, but manufacturers have approached the Hongkong Government to take up the matter with the authorities in Singapore, and a satisfactory solution is anticipated.

The Chungking dollar is now rising in Hongkong owing to the development of the fighting in north Kuangtung and the London reports of a settlement of the Sino-Japanese conflict.

Stock Rise on Tokyo Exchange

Tokyo, Jan. 16.

Reacting favourably to the designation of Admiral Mitsumasa Yonai as the new Premier, the stock exchange registered gains of Y.10 to Y.4 over an extensive list yesterday. Irons, rayons, nitrogens led the advance.

Viewing favourably the selection of Admiral Yonai to succeed Gen. Nobuyuki Abe, business men believed that the character of the new Cabinet will depend much on its economic personnel, namely the Ministers of Finance, Commerce and Industry, Agriculture and Forestry, and Communications.

Business men had hoped that Prince Ayamaro Konoye would undertake the task of forming a Cabinet, but after his refusal they admitted that Admiral Yonai perhaps would make the "second best Premier."

Admiral Yonai's sound judgment and his freedom from party affiliations were considered advantages.—Domei.

Big Public Utility Firm In U.S. Bankrupt

New York, Jan. 11.

The Associated Gas and Electric Company, with utilities in eastern United States ranging from Maine to Florida, today filed a bankruptcy petition.

A few hours before the company filed the petition, the Securities and Exchange Commission refused to permit one of the company's subsidiaries, the Associated Gas and Electric Corporation, to pay dividends on the capital stock or interest on the note held by the parent company.—United Press.

THE HONGKONG & SHANGHAI BANKING CORPORATION

(Incorporated in the Colony of Hongkong. The liability of members is limited to the extent and in manner prescribed by Ordinance No. 6 of 1929 of the Colony.)

Authorised Capital		HK$50,000,000
Issued and Fully Paid-up		HK$20,000,000
Reserve Funds	Sterling	£6,500,000
	Hongkong Currency	HK$10,000,000
Reserve Liability of Proprietors		HK$20,000,000

Head Office: HONGKONG

Board of Directors:

HON. MR. A. L. SHIELDS, Chairman W. H. LOCK, Deputy Chairman
J. K. BOUSFIELD, A. H. COMPTON, HON. MR. S. H. DODWELL, D. F. LANDALE, G. MISKIN, K. S. MORRISON, HON. MR. T. E. PEARCE, H. V. WILKINSON,

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SPORTS AND PASTIMES

Shanghai Football

P.T.H. Triumph Over A.S.F.

Shanghai, Jan. 14.

Playing wih only ten men for three-quarters of the game, the Public and Thomas Hanbury XI created one of the upsets in the current football season by overcoming the Association Sportive Francaise in a Shanghai Football Association League match on the Race Course yesterday afternoon by the odd goal in nine. The School team lost the first goal but came back quickly to establish a 3-1 lead before the Frenchmen made the score level at half-time. In the second half the ultimate losers went ahead but a splendid rush towards the end changed the tide of battle in favour of the P.T.H. team.

The winning goal was scored in the last minute. Huff Cochran, who displayed rare shooting form by countering the first four goals for the School, took a big hand in the last one as it was his powerful kick that gave Kidby the chance to bundle the ball out of goalie Wolfin's hands and into the net.

It was a fast game in which both sides did well in midfield. The French defence was rather weak as Tessier failed to make proper clearances. A. Collaco, the School right winger, was charged from behind in the 25th minute by the left-back and he fell so heavily that he was forced to retire for the rest of the game.

P.T.H.:—Schneirson, Tivoniuk, Logan, Caro, Leriou, Katamopoulus, Novgorodoff, Passikedes, Cohran, Kidby, Collaco.
A.S.F.:—Wolfin, Tessier, Ward, Jesu, Becquery, Savine, Bossuet, Mihaeloff, Roboostoff, Segalen, Sbath.

Clash of Unbeaten Soccer Teams

Shanghai, Jan. 14.

J.R.C. and Area Details, the only two undefeated teams in the Second Division, met at the Race Course yesterday afternoon for the first time and the latter won comfortably by 5-2, although playing with practically ten men as Sgt. Sadler, the star centre-forward, was hurt in the twentieth minute and moved to the right wing where he was a passenger for the rest of the game.

Area Details: Evans, Andrews, Hamlyn, Garside, Howes, McBride, MacKenzie, Phinister, Sadler, Weir, Pearce.
J.R.C.: Korn, Kremer, Reisberg, Zellnicker, Meyer, Waldman, Defris, Friedlander, Kotzmann, Jacob, Levy.

Sensational Play by Italian Goalie

Shanghai, Jan. 15.

Displaying better marksmanship then their opponents, the Italian Navy repeated their performance of three weeks ago when they defeated the French Forces before a big crowd at the Race Course yesterday in a reply in the second round for the Tsz Ling Cup by the score of 4-2. The game was thrilling from the beginning to the end and although the Italians dominated in the first half, the French came back strongly in the second and attacked furiously. Only the brilliant goalkeeping of Mainenti saved the Navy from a defeat: the goalie displayed anticipation seldom witnessed in Shanghai and his saves were nothing less than sensational.

The Italians pressed continuously in the first half and the crowd was thrilled by the quick raids of the Italians into the French territory. The French, on the other hand, were kept on the defensive in the first half, but attacked with force in the second when they were trailing 3-1. The winners showed speed and accuracy in shooting, but Abato and Martinetto did not display the form of three weeks ago and allowed the French forwards through on many occasions. Pastorino, the left wing, was the best of the forward line and his centres were well executed. The same player scored the last goal of the match by going alone through the whole French defence. For the French, Collet was a tower of strength, while Kuinker on the right wing was ever dangerous.

ITALIAN NAVY:—Mainenti, Abato, Martinetto, Piglione, Gandine, Tosolino, Moretti, Cumis, Pesce, Assini, Pastorino.
FRENCH FORCES:—Setti, Collet, Roussel, Leonie, Dinh, Vingh, Kuinker, Peniguel, Demall, Heloyan, Le Bras.

Lido Defeat Saints

Shanghai, Jan. 15.

Launching a furious attack within a short space of about ten minutes close to half-time and coming back with three smart goals, Lido kept clean their record in the First Division of the Shanghai Football Association League yesterday morning at the Canidrome by defeating St. Francis Xavier's by 4-2. The School team battled courageously from the very beginning and were on even terms with the league-leaders until the first goal was scored against them. Then they broke down under the attack and yielded two more before finding their feet again.

Following were the teams:—

LIDO:—T. U. Loh, N. Z. Lee, L. R. Chang, Z. H. Nyien, N. L. Meng, Z. Z. Tsiang, C. T. Tsao, K. S. Suen, K. H. Waung, V. K. Hyul, C. S. Woo.
S.F.X.:—Kabbert, Garwood, S. Schultz, Edwards, Greenberg, Kuei, Karolitch, Petterson, K. Schultz, Tuttleman, Foyn, Dickinson; R. A. O. Mayne, R. U. Reynolds, A. Gammie, J. D. Sayle, W. D. Pearson, S. A. Wallace, M. O. Liddell and P. B. Tay.
Referee: Mr. G. S. Dunkley.

Long Scoring Runs Win for Police

Shanghai, Jan. 14.

The Police continued their winning ways at the Race Course yesterday afternoon when, against a Combined Army side which was made up by the inclusion of a number of police and Club members, they gained the day in a one-sided rugger encounter by 22 points (two goals and four tries) to six (two tries). Neither team had a full complement of players, but it was apparent after five minutes that the speed of the Police wingers and the well utilized weight of the lawmen's pack would soon offset any advantage that the soldiers might possess.

Japanese Lose to Seaforths

Shanghai, Jan. 15.

In about the finest game of rugby football seen in Shanghai this season, the Seaforth Highlanders just managed to defeat the senior side of Shanghai Nipponjin (Japanese Civilians) at the Race Course yesterday afternoon by eight points (one goal and a try) to six (two tries), but the Japanese, in defeat, the most unlucky losers of the year and looked far better than their doughty rivals. After their splendid debut a week ago, the appearance of the Japanese yesterday against a senior local fifteen was awaited with interest and their display showed that they can match the best Shanghai can offer. On a dry ground they will probably beat any Shanghai side, their speed and handling being up to a standard that has not been seen in this town for many a long year.

SEAFORTH 1ST XV:—Pte. Walmsley; Pte. Cowan, Pte. Alexander, Lieut. R. D. Maclagan, L/Cpl. Smith; Pte. Rainey, Pte. Cameron; L/Cpl. Crow, Sgt. Veasey, Pte. Richardson, Cpl. Waud, Lieut. I. A. Maclagan, Sgt. Ainslie, Cpl. Knowles and Pte. Woodhead.
SHANGHAI NIPPONJIN 1ST XV:—Kijima; Koyakumaru, Miki, Komiya, Sakurauchi; Ogawa, Murayama, Sakamoto; Tohyama, Yano, Eguchi, Idoh, Maekawa, Inouye and Maesushita.
Referee: Mr. Barraclough.

Tung Wen Run Over Club XV

Shanghai, Jan. 15.

Tung Wen College again! Scoring just as they pleased and when they liked the fast moving Japanese team turned the Race Course yesterday afternoon into a veritable track-meet by scoring 43 points (five goals and six tries) against a Club 2nd XV that in return did not manage to tally a single point. As can be imagined from such an overwhelming victory the Japanese ran rings round their opponents and some difficulty was experienced by the large crowd of onlookers in keeping an exact count of the points as they came along with monotonous regularity.

TUNG WEN COLLEGE:—Hara; Uchiyama, Yoshimura, Tanda, Ikeda; Inoue, Akabori; Matsuura, Maki, Shimizu, Kaite, Hino, Maeda, Murakami and Ishida.
CLUB 2ND XV:—Pte. Moody; Pte. Rowberry, O. P. Edwards, K. Okimoto, L/Cpl. Riley; A. Thomas, B. A. St. Louis; J. W. Chapman, J. B. Blaikie, D. M. Wheeler, G. L. Hinds, J. R. Harling, Pte. Bland, W. K. Corneck and F. March.
Referee: Mr. Silby.

Shanghai Rugby

Virile Marines Beat Rugby Club

Shanghai, Jan. 14.

Ten minutes before the end of an interesting but far from attractive rugby encounter at the Race Course yesterday afternoon, the United States Marines' pack took the ball over their opponents' line in a bunch from a set scrum to score what proved to be the winning try of the match. Thus the Marines were able to continue their winning streak, their more virile methods being sufficient to gain them the day six points (a penalty goal and a try) to three (a penalty goal). Neither side played good football, the number of good movements throughout the game being so few that they could all have been counted on the fingers of one hand.

UNITED STATES MARINE 1ST XV: Malaro; Walker, Betteridge, Barker, Nicolai; Brown, Blondin; Morton, Drew, Duhovitch, Doore, Connolly, Juracko, Davis and Solloway.
CLUB 1ST XV: W. N. Dickson; S. J. Ward, A. Thomas, A. P. D. Kennedy, J. W. M. Martin; I. F. Aucott, J. R.

Conn Wins Decision Over Heavyweight

New York, Jan. 11.

Billy Conn, youthful Pittsburgh world light-heavyweight champion, last night successfully opened his heavyweight campaign by scoring a decision over Henry Cooper in a fifteen-round clash. Conn, who is looked upon as the coming "white hope," did not risk his light-heavyweight title against Cooper. The young Irish-American boxer weighed 173¼, within the light-heavyweight limit, while Cooper was 192.—United Press.

"N.C.D.N." Photo.

Big Trophy For Light Horse Winner

Mrs. H. Maitland presenting the Ralphs Challenge Cup to C. N. Abbott who won the Light Horse Point-to-Point held on January 14. Capt. Maitland is in the middle of the picture. The Cup was originally presented by Lieut. Ralphs who commanded the unit from 1912 to 1914.

Point to Point Races

BY "THE CHASER"

Shanghai, Jan. 15.

Three Point-to-Point events were held yesterday morning when the two mounted units of the S.V.C. and the Seaforths held their annual races. The Light Horse were the first to start and the race was won by Lance Corporal Abbott on Bobby (Y) who was followed home by Sergeant Elles on Diamond King (Y) barely two lengths separating them. They were well ahead of the rest who trailed by nearly half a mile at the finish. Mr. Arnold on San Carlo (Y) was third and Trumpeter Duncan Fraser on Off Chance (Y) fourth. Captain Powell won the Seaforths' race on Hillingson (Z) and beat Mr. Martin on Gimme (Z) by a length and a half while Mr. Hammond Chambers was third on Sweet Morn (Y). The American Troop event was won by S. J. Clark on Highland (Y) while George Lacks on Glen Muick was second and Cox on Sparrow Hawk (Y) third.

Light Horse

1. L. Corporal Abbott on Bobby (Y-
2. Sgt. Elles on Diamond King (Y-
3. Mr. A. E. Arnold on San Carlo (Y)
4. Trumpeter D. Fraser on Off Chance (Y)
5. L. Cpl. A. A. White on Malenki (Y)
6. Sgt. Hodgman on Nearco

Seaforths

1. Capt. Powell on Hillingdon (Z)
2. Mr. Martin on Gimme (Z)
3. Mr. Hammond-Chambers on Sweet Morn (Y).

American Troop

1. Cpl. S. J. Clark on Highland (Y)
2. Cpl. G. Lacks on Glen Muick (Y)
3. Cox on Sparrow Hawk (Y)
4. P. Kops on Blue Ridge (Y)
5. Capt. N. F. Allman on Ball Run (Z)
6. M. Marcus on New Pony (Z)

Mollers' Day at Paperhunt

Shanghai, Jan. 14.

Yesterday's hunt, the ninth of the season, was a Mollers' hunt as three Mollers, "Boogie," Eric and Chris all figured on the Card. The hunt was won by Boogie on Christmas (Z) who galloped home several lengths ahead of Howell who was second on Siboar (Z). Eric Moller was fourth on Highlight (Z) while C. B. Moller was sixth on Baylight (Z). Culbertson's tempest was ridden by Moore who finished third while F. X. Diniz did very well to qualify Zealous Chap, the first Y on the card, for the Challenge Cup, as the pony was out for the first time in the country and had never seen a jump before. He was jumping noticeably high at the early obstacles but was going at it like an old timer at the finish.

The Card

The Card was as follows:—

1. R. B. Moller on Christmaslight (Z)
2. I. H. Howell on Siboar (Z)
3. L. R. Moore on Tempest (Z)
4. E. B. Moller on Highlight (Z)
5. F. X. Diniz on Zealous Chap (Y)
6. C. B. Moller on Baylight (Z)

Challenge Cup Qualification; Zealous Chap.

Little Dado Defeats Small Montano

San Francisco, Jan. 10.

Little Pancho hammered out an easy victory over Small Montano in a ten round fight here tonight.

The bout between the two Filipino flyweights was packed with action, Pancho proving to be the hard hitter. He outclassed the former claimant to the world flyweight title in all but the third round.

Weighing 114½ pounds, slightly over the flyweight limit, Pancho, in winning nine rounds, downed Montano for a count of eight in the sixth round. A terrific right to the jaw sent Montano sprawling for the longest count of the bout. Montano was also floored on three more occasions, but he sprang up immediately each time.—United Press.

Hongkong Interport Soccer XI Chosen

Hongkong, Jan. 9.

A. V. Gosano, veteran football player, will lead the Hongkong football team which is to clash against Shanghai over the Chinese New Year holidays next month, the Hongkong Football Association announced today. Fifteen players and a manager were selected today to represent Hongkong in the annual interport series which is to be held at Shanghai. In addition to the interport encounter there will probably be two other matches in Shanghai. Hongkong will probably oppose an all-star Chinese team and a United Services eleven, as in past years. The team will leave for Shanghai in the first week of February. All of the players have obtained the necessary permission from the local Government.

The team: Moxham (Army), Sheehan (Army), S. Strange, A. J. Hussain, K. Forrow, E. Strange, F. Fowler, A. V. Gosano (Captain), Hossack (Army), D. Leonard, Honniball. Reserves: Bright (Army), McEwan, P. Jorge, T. Castilho. Manager: A. Kirby.—United Press.

Shanghai Golf Club

Shanghai, Jan. 16.

Results of the Shanghai Golf Club January monthly cup play follow:—

"A" CLASS

D. R. Glass	78	5	73
A. Pratt	82	8	74
J. S. MacDonald	79	3	76
W. H. C. Huggett	81	3	78

"B" CLASS

J. A. Tibble	89	22	67
S. C. Brisk	94	21	73
L. A. McCants	99	22	77
O. F. Brooks	75	14	81
P. Isherwood	96	15	81

Surreys Move Up As Saints Fall

Shanghai, Jan. 10.

A few minor changes have taken place in the standing of the Shanghai Football Association League as a result of the games played over the past week-end. In the First Division the Saints have fallen from second place because of their defeat at the hands of the Recs last Saturday by three goals to one and the East Surreys, by defeating the lowly Police 6-0, are now the runners-up.

Following are the team standings:—

FIRST DIVISION

Lido	8	8	0	0	31	10	16
Surreys	9	5	2	2	39	23	12
Seaforths	10	6	0	4	32	24	12
S. R. C.	10	5	2	3	31	28	12
S. F. X.	8	5	0	3	29	16	10
A. S. F.	9	5	0	4	30	26	10
Tung Hwa	9	4	0	5	24	29	8
P. T. H.	9	3	2	4	21	32	8
Lusitano	10	2	0	8	20	41	4
S. M. P.	10	0	0	10	15	41	0

RESERVE DIVISION

Lido	6	6	0	0	25	4	12
East Surreys	6	4	2	0	20	8	10
Seaforths	6	3	3	0	16	6	9
S. R. C.	6	2	1	3	10	9	5
S. F. X.	6	2	1	3	10	12	5
Lusitano	6	2	1	3	13	16	5
Tung Hwa	6	2	1	3	7	14	5
S. M. P.	6	1	2	3	8	21	4
A. S. F.	6	1	1	4	10	15	3
P. T. H.	6	0	2	4	7	21	2

SECOND DIVISION

French Forces	6	5	0	1	25	10	10
J. R. C.	4	4	0	0	31	3	8
Area Details	4	4	0	0	27	5	8
Sokol	5	3	0	2	19	9	6
China Hwa	6	3	0	3	30	17	6
Rowing Club	4	2	1	1	21	4	5
Parks	5	2	1	2	15	16	5
Russ. Regt.	6	1	0	5	9	23	2
U. T. Party	4	0	0	4	9	26	0
J. A. C.	6	0	0	6	1	69	0

THIRD DIVISION

Russ. Club	8	6	2	0	19	9	14
Maccabi	7	6	1	0	31	9	13
3 Cults.	7	6	1	0	28	8	13
Aurora	8	5	1	2	25	12	11
Xaverians	8	3	1	4	16	17	7
Judeans	7	3	0	4	14	14	6
Old West.	8	3	0	5	15	22	6
Oatsmen	8	3	0	5	9	22	6
Hotspurs	8	2	1	5	9	14	5
Betar	7	1	2	4	12	18	4
Tung Wen	7	1	1	5	5	26	3
R.A.M.C.	7	1	0	6	12	24	2

Home Soccer League

London, Jan. 13.

Results of Divisional League matches played today are:—

SOUTH B

Brentford 4, Aldershot 3
Fulham 4, Southampton 1
Portsmouth 1, Chelsea 2
Queen's Park Rangers 2, Bournemouth 1
Reading 1, Brighton 0

SOUTH A

Arsenal 4, Millwall 1
Charlton 1, Tottenham 5
Clapton Orient 1, Norwich City 1
Southend 3, Crystal Palace 1
Watford 3, West Ham 1

MIDLAND

Birmingham 3, Leicester 3
Luton 6, Northampton 2
Walsall 0, Coventry 2
Wolverhampton 2, West Bromwich 0

EAST MIDLAND

Sheffield Wednesday 0, Rotherham United 1

NORTH WESTERN

Bolton 3, Oldham 0

SOUTH WESTERN

Bristol City 1, Torquay United 3
Cardiff City 1, Newport County 0
Plymouth Agyle 2, Bristol Rovers 0
Swindon Town 4, Swansea Town 1

SCOTTISH EASTERN

Aberdeen 8, Cowdenbeath 1
Arbroath 1, Alloa 1
Dundee 2, East Fife 0
Dunfermline 2, Hibernian 1
Falkirk 4, Dundee United 2
Hearts 3, St. Johnstone 0
Raith Rovers 6, St. Bernards 0
King's Park 1, Stenhousemuir 1

SCOTTISH WESTERN

Aidrieonians 5, Motherwell 2
Celtic 1, Ayr United 3
Hamilton Acads 2, Albion Rovers 1
Kilmarnock 1, Clyde 2
Morton 2, Queen's Park 2
Queen of South 1, Rangers 2
Third Lanark 2, Dumbarton 1 (when abondoned)
Partick Thistle v. St. Mirren postponed.

The results of other matches were:

Everton 4, Tranmere 4
New Brighton 1, Liverpool 4
Accrington 2, Barnsley 1
Blackburn 1, Manchester City 2
Blackpool 0, Leeds 1
Chesterfield 5, Bradford 0
Huddersfield 1, Grimsby 0 (when abondoned)
Lincoln 4, York 3
Notts Forest 0, Birmingham 1
Preston 2, Stoke 1
Rochdale 2, Sheffield United 0
Newcastle 3, Gateshead 1.—Reuter.

Queensland Beat South Australia

SPECIAL TO THE "N.C.D.N."

Brisbane, Jan. 11.

Thanks to a flawless century by Brown, the Test player, Queensland today defeated South Australia in a Sheffield Shield match by two wickets.

South Australia gained a lead of 97 on the first innings and, by compiling 252 in their second knock, set their opponents the task of making 350 to win.

At a crucial stage Brown came on the scene and knocked up a sparkling 111, which enabled his side to win by two wickets.—Reuter.

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SHANGHAI LAW REPORTS

H.M. Supreme Court

Murder Trial

REX v. PRIVATE DAVID ECKFORD

COUNSEL: Mr. John McNeill, Crown Advocate, for the prosecution; Mr. K. E. Newman for the accused.

Before Sir Allan Mossop, Judge

JURY: Messrs. A. G. Davies, F. F. Sullivan, R. H. Box, G. T. Gambling, G. A. Morris, J. Watson, R. V. Thomas, E. Stephenson, R. B. Moller, P. R. M. Wallis, N. Boniface and P. J. MacKellar.

Shanghai, Jan. 10.

Private David Eckford of the Seaforth Highlanders, defended by Mr. K. E. Newman, pleaded not guilty to the charge of having murdered Lance-Corporal James Davis on the evening of November 4, 1939, when he stood in the dock of H. M. Supreme Court yesterday morning. Judge Sir Allan Mossop is hearing the case and Mr. John McNeill, Crown Advocate, is appearing for the prosecution. The following were called to serve on the jury: Messrs. A. G. Davies, F. F. Sullivan, R. H. Box, G. T. Gambling, G. A. Morris, J. Watson, R. V. Thomas, E. Stephenson, R. B. Moller, P. R. M. Wallis, N. Boniface and P. J. MacKellar. After an all-day hearing, the case was adjourned to this morning.

For almost an hour, Mr. McNeill detailed the circumstances of the case and told the court that when going on duty, soldiers detailed to blockhouse "E", at the corner of North Thibet and Kaifeng Roads where the murder is alleged to have occurred, remained there for four days before being relieved. They bring no ammunition because there are 25 rounds for each man in the blockhouse. When not on sentry duty, the soldiers leave their arms and equipment in the blockhouse upstairs while when on duty the magazine of their rifles is loaded with five rounds, none of which, however, is in the breach.

When coming off duty, the soldier's weapon is inspected and no man is allowed to leave his post except when ordered to do so by the senior soldier in charge.

On November 4, blockhouse "E" was guarded by Lance-Corporal James Davis and Privates Hugh McCormick Stirling, Josiah Northrop, Robert James Sullivan and the accused. Northrop was on duty at 7 p.m. and was relieved by Stirling at 8 p.m. Between 6.30 and 7 p.m. on the evening of November 4, Mr. McNeill continued, the accused left the post and walked along N. Thibet Road to buy a packet of cigars. He returned some ten minutes later when a few words were exchanged between the accused and the deceased Some time prior to 8 p.m. a further conversation took place between the two men.

"It is not for the Crown to prove the motive for a crime has been committed," Mr. McNeill added, but I will show that the accused did shoot Lance-Corporal Davis."

At about 9.30 p.m., Mr. McNeill continued, when Pte. Stirling was on duty, headquarters of "B" defence sector received a telephone message following which L/C Robertson went to blockhouse "E". He was seen exchanging a few words with L/C Davis and then left in the truck in which he had come. At 9.45 p.m. the deceased was shot. "A remarkable feature in this case", Mr. McNeill added in addressing the jury, "is that the accused repeatedly admitted having shot Davis and that throughout, he remained absolutely calm.

In referring to the mortal shot, Mr. McNeill said that the bullet entered on the upper lip and passed through the head leaving a larger wound on the back of the head than where it had entered.

Capt. John Richard Cole, of the Loyal Regiment and at the time of the death of L/C Davis, Acting Staff-Captain of British troops in Shanghai, then entered the witness-box to identify a letter addressed to him by Major-General Grasett, General Officer Commanding British Troops in China, which instructed him to hand the accused over to the Supreme Court for trial.

Mr. T. William Robert Wilson was the next witness. He said that he was connected with the Public Works Department of the Shanghai Municipal Council, and produced a number of maps of "B" defence sector. A detailed drawing of the blockhouse in the vicinity of which L/C Davis was killed, was also produced and copies submitted to the members of the jury. During the cross-examination by Mr. Newman, witness stated that there were 23 steps from the street-level to the blockhouse and that they were very steep and nine inches apart.

Detective-Sergeant George A. Day, of the Shanghai Municipal Police, next was the witness to be called and gave evidence in connection with the time and place at which he took pictures at the scene.

Pte. Stirling then entered the box. He told the court that he was 20 years old and that he was on sentry duty at the time of the shooting. In reply to questions by Mr. McNeill, he said that he relieved Northrop at 8 p.m. carrying 25 rounds of ammunition of which five rounds were in the magazine of his rifle but none was in the breach. He was inspected prior to going on duty.

He heard Davis tell Eckford to "go and get it" and Eckford replied "Okay, Dagger." At the time, Eckford was not wearing any equipment and had nothing in his hands. Asked whether he had heard the word "Dagger" before, witness said that he had but that he did not know what it meant.

With reference to what occurred on the evening of November 4, witness said that soon after the conversation, Davis moved to the North side of the sentry post while witness continued his sentry duty. A few minutes later he saw Eckford as he was coming down from the blockhouse. Accused was standing on the third step from the ground. When accused touched the ground, witness was marching from north to south.

"I came to a halt in front of the sentry post when Eckford was about level with me on my left," witness added, "and Eckford had his rifle on his shoulder at the time." Witness then saw that Eckford had his rifle levelled against Davis who, at this time, was standing north of the sentry post, facing east.

"Private Eckford said 'I'm going to shoot you, Dagger," witness continued, "and then he pulled the trigger. Davis fell to the ground backwards and Eckford handed me his rifle."

In reply to another question, witness stated that the two men were about four and a half yards apart. After handing witness his rifle, Eckford told him, "I'm ready for the Sergeant now". Eckford was very calm, according to witness who said that he then called out for the guard but received no reply. Eckford then walked towards the stairs to the blockhouse and witness followed him upstairs, leaving Davis' rifle standing against the sentry-box.

He called out for Pte. Northrop who then appeared at the top of the stairs. Witness shouted to Northrop what had happened and Eckford went into the blockhouse. Soon afterwards, Sergeant John MacDonald arrived with a patrol. Witness then saw Eckford being ordered into the truck. Before leaving, Sergt. MacDonald ordered witness to cover the body with a blanket which he did. Police then arrived at the scene and after investigations on the spot, witness accompanied the detectives to the police station for questioning. He returned to the blockhouse, however, where he spent the night.

Cross-examined by Mr. Newman, witness stated that the Lance-Corporal and the senior soldier in a patrol did not sentry duty, the other three soldiers were on duty for two hours and off for four. Witness also admitted that due to the general upheaval as a result of the shooting, he may have forgotten or omitted certain details. Witness did not know what Davis had referred to when he told the accused to "go and get it". He was then asked to mark on one of the official photographs the positions where the accused and Davis had stood at the time of the shooting. He denied hearing Eckford's rifle falling to the ground after the shot had been fired.

Witness admitted that in view of the fact that Eckford had been on his left and Davis on his right, he could not have seen the trigger actually pressed because that part of the rifle was hidden by Eckford's left arm.

In referring to the N.A.A.F.I. wagon, witness said that it comes to each post in the morning and that each man is allowed to buy up to two bottles of beer a day. Eckford, witness stated, had been drinking some beer before he, witness, went on duty. Witness said that he was not on duty when Eckford went to buy his cheroots in a near-by shop. He added that he had never heard Eckford complain of anyone using his rifle. Witness agreed that Davis must have seen the accused point his rifle at him.

His Lordship then asked whether Eckford walked towards Davis' body after the shot had been fired. Witness replied in the negative, adding that no one went near the body until Sergt. MacDonald arrived. The truck, witness said in reply to another question, arrived about seven minutes after the shooting.

Before adjourning to 2 p.m., His Lordship told the members of the jury that their liberty would be curtailed until the trial was over and that they would not be permitted to discuss the case with anyone except among themselves.

Pte. Josiah Northrop was the first witness called after the noon adjournment. He said that he went on duty at 7 p.m., relieving Sullivan. He saw Eckford walking down North Thibet Road in a northerly direction. Witness saw him again 15 minutes later. Davis was near witness and he overheard the following conversation:

Davis: "Where have you been?"

Eckford: "Can't I go down to buy some cigars?"

Davis, according to witness, then said that he would be up for orders the next day because he should know better than to leave his post against orders.

Witness went off duty at 7.30 p.m. and returned to the blockhouse. He had not been inspected when he went on duty at 7 p.m. but he had been inspected previously the same day. He said that he knew his rifle by the number. Asked why he had only been on duty for such a short time, he said that he was making up time for Pte. Sullivan, who had done him a similar favour on a previous occasion. Eckford, according to witness, arrived in the blockhouse soon afterwards and sat down on a chair and looked "moody." Witness then fell asleep. He was awakened by a shot, jumped out of bed and made for the door.

"I heard Stirling shout," witness continued, "and went to the door where I saw Eckford, who asked me whether I had heard a shot and added: 'I have killed Dagger Davis.' I didn't believe what he told me but let him pass into the blockhouse. I saw a large crowd of Chinese standing in the vicinity. I bent over the railing and saw Davis lying in a pool of blood. I dashed back into the blockhouse and wanted to phone for the officers."

He said that he could not use the army telephone because Eckford was using it. Witness said that he heard Eckford speaking to someone over the telephone requesting that a patrol and an officer be sent. Witness then accompanied Eckford to the street below.

About five minutes later, witness continued, Sergt. MacDonald arrived together with two privates. Eckford walked up to the sergeant and told him that he had killed Davis. The accused, according to Northrop, was then ordered to get into the truck, which he did. Stirling, thereupon, handed Eckford's rifle to witness which he took to the blockhouse. He then went to relieve Stirling from duty.

Lt. J. M. Marshall arrived in the blockhouse soon afterwards and inspected Eckford's rifle. He opened the bolt, smelled the breach and then replaced the used cartridge case, closing the bolt.

Cross-examined, witness said that he could not recall how long before he had taken up his duties at the blockhouse in question. The accused, according to witness, arrived later than the others because he had been sent to replace someone who was ill. He could not remember seeing the accused go into a little shop on the other side of the street before walking up North Thibet Road to buy his cigars.

Pte. Sullivan was the next witness to be called. He said that he overheard Davis tell the accused that he would be sent back under close arrest. Witness then went to sleep and was awakened by Northrop who told him that Davis had been shot. He looked down and saw Davis lying in a pool of blood. He returned inside the blockhouse soon afterwards because he said that the sight of the dead body had given him a shock.

Cross-examining, Mr. Newman pointed to various alleged disrepancies between the evidence given by witness in the Police Court and that which he had just given, in particular with reference to the time he went on duty.

Ni Sz-ching, a tobacco-shop owner of 214 Thibet Road, told the court that at about 6.30 p.m. in the evening of November 4, a foreigner wearing a jersey came to his shop to buy some cigars. He identified the package of cigars but was unable to recognize the accused.

Private Thomas Hunter said that he was operating the telephone exchange at headquarters of "B" sector. He said that on the evening of November 4, he received two calls.

The first call, he added, was received at 9.30 p.m. He reported it to Sergt. MacDonald who was on duty, and subsequently he ordered No. 1 patrol under L/C Robertson to drive to "E" post. The second call was received at 9.45 p.m. and witness reported it to Lt. Marshall, the officer in charge of the sector.

Lance-Corporal Alexander Robertson told the court that he went to "E" post at 9.35 p.m., having received orders to that effect from Sergt. MacDonald. He spoke to L/C Davis and thereupon returned to headquarters to make his report.

Sergt. John MacDonald was next called. He said that he proceeded to "E" post after having received a report from L/C Robertson, with a view to settling some trouble which had been reported to him as existing between Davis and Eckford. When he got there he found Davis lying in a pool of blood, dead beyond any doubt. As he was getting off the truck, witness added, Eckford walked up to him and said: "Sergeant, he's dead, I shot him". Witness gave instructions that no one should touch the body until the arrival of the police. Half way back he met Lt. Marshall who by then was proceeding to "E" post. Before he was able to tell Lt. Marshall what had occurred, the accused said: "I have killed him". Witness was ordered to take the accused back to headquarters. Eckford was calm throughout, according to the witness.

Cross-examined, witness said that lance-corporals and senior soldiers always kept their ammunition in their pouches. He said that usually a rifle is unloaded by taking out the magazine.

The case was then adjourned to 9.30 a.m. today, when further witnesses will be called.

Evidence Concluded

Jan. 11.

Evidence for the Crown and for the defence was concluded yesterday afternoon when David Eckford, a 25 years old native of Kirkcaldy, Fifeshire, Scotland, and a private in the 1st. Battalion, the Seaforth Highlanders, again appeared in H. M. Supreme Court, before Judge Sir Allan Mossop and a jury, to face a charge of murdering Lance-Corporal James Davies, a member of the same battalion, by shooting him with a rifle while on sector duty at "E" Blockhouse on the night of November 4. Mr. John McNeill, the Crown Advocate, prosecuted and Mr. K. E. Newman appeared on behalf of Eckford, who was the only witness to be called by the defence. Today the jury will be addressed by Mr. McNeill and Mr. Newman before His Lordship speaks to the jury members.

The members of the jury were as follows: Messrs. A. G. Davies, F. F. Sullivan, R. H. Box, G. T. Gambling, G. A. Morris, J. Watson, R. V. Thomas, E. Stephenson, R. B. Moller, P. R. M. Wallis, N. Boniface and P. J. MacKellar.

The first witness to be called was Private Peter Hughes, who stated that he was the driver of the duty truck on November 4. At about 9.30 p.m. he drove the truck to "E" Blockhouse in company with Lance-Corporal Robertson, Privates Paton, Richards and Davidson. At the Blockhouse he noticed Lance-Corporal Robertson speaking to Lance-Corporal Davies. At Sector Headquarters Lance-Corporal Robertson reported to Sergeant MacDonald, who gave witness instructions to drive him to "E" Post. Privates Paton and Richards accompanied them.

"On arrival at the post I saw Lance-Corporal Davies lying on the ground to the right of the sentry box," he said. "I heard Private Eckford say to Sergeant MacDonald 'I shot him, sergeant. He's dead. He was quite calm." Private Hughes, continuing, said that Eckford got into the duty car when ordered to by Sergeant MacDonald. When the car had proceeded about 200 yards up the road they met Lieut. Marshall and his servant, Private Garrity.

At this point Sergeant MacDonald spoke to the officer. "I heard Lieut. Marshall say 'Who was it?', witness continued, and Private Eckford replied 'It was me, sir.'" Cross-examined by Mr. Newman, Private Hughes said that he did not remember having heard Eckford state anything else.

Private William Stewart Paton told the Court that, in company with Lance-Corporal Robertson, Privates Hughes, Richards and Davidson, he visited "E" Post during the evening and saw Lance-Corporal Davies standing at the bottom of the stairs leading to the blockhouse. Also standing there were Private Eckford and the sentry, Private Sullivan.

After Lance-Corporal Davies had spoken to Lance-Corporal Robertson the car proceeded back to Sector Headquarters, where a report was made to Sergeant MacDonald. When the duty truck visited "E" Blockhouse on the second occasion that night carrying witness, Sergeant MacDonald, Privates Hughes and Richards, he saw Lance-Corporal Davies lying on the ground a few feet to the right of the sentry box. Private Eckford, who was standing by the sentry stated "It's no use, sergeant. He's dead. I shot him."

Lieut. James Murray Marshall stated that at about 9.50 p.m. he had occasion to visit "E" Post after a telephone message had been given to him by Private Hunter. He was accompanied by Private Garrity and on the way he saw the duty truck, which he stopped. After asking what had happened he saw accused in the truck. At the blockhouse he found Lance-Corporal Davies lying on his back with his eyes open and a stream of blood coming from his head into the gutter.

In the blockhouse Private J. Northrop showed him a rifle, number 229, which was leaning against a table. The safety catch was pushed forward. On opening the bolt a spent cartridge case was ejected. This was replaced in the breech and was there when the rifle was handed over to Inspector Shields of the S.M.P. Handed a cartridge case in court he identified this as the one which had been ejected by two hammer marks. Witness added that he looked through the barrel of the rifle, which bore the appearance of having been fired through. On a table was a clip containing four rounds and on another table was a packet of cigars.

Dr. I. G. Anderson stated that on December 23 he attended the parlours of the International Funeral Directors where he saw a coffin bearing the name "James Davies." Also present were Dr. W. S. Parsons, Capt. H. M. Smyth of the R.A.M.C., Dr. John Gray and Mr. Scott of International Funeral Directors. When the coffin was opened the body inside was examined, particularly the head. The body, the doctor added, was in a good state of preservation.

In the head a bullet wound was found. The entrance wound was on the right outer edge of the mouth and there was an exit wound to the right of the midline at the back of the skull. A straight probe passed through the entrance wound and emerged from the exit wound. The bullet, said Dr. Anderson, struck the upper jaw, moving four to six upper right teeth, to pass through the ascending bar of the lower jaw and enter the entrance to the base of the skull. After passing through the substance of the brain, the bullet emerged through the bone of the skull, the cause of death being a bullet wound through the skull.

If the deceased had been standing upright the wound would have been parallel to the ground, the witness continued. Death would have been instantaneous. Mr. R. O. Scott, manager of the International Funeral Directors, stated that he superintended the burial of Lance-Corporal Davies at the Hungjao Road cemetery on November 8. On December 23 the body was exhumed and the coffin removed to the mortuary of the International Funeral Directors where it was subsequently opened.

After evidence by Private William Garriy, who said he accompanied the body to the British Military Hospital, Capt. H. M. Smyth, who examined the body at the hospital, and Lance-Corporal James McLaughlin, Chinese police-constable 1443, was called. He stated that at about 9.45 p.m. he heard a shot and he turned around to see a man lying on the ground.

Cross-examined, he said he saw a rifle lying on the ground. When re-examined by the Crown Advocate, witness said that he saw one man lying on the ground and one man standing. The rifle was lying parallel to the man on the ground. Private Hunter, who was recalled, said that on November 4 there were two telephone calls from "E" Post. On the first occasion Lance-Corporal Davies spoke and on the second Private Eckford was at the other end. The latter stated, "I want to speak to the officer." Witness replied that Sergeant MacDonald was on his way to "E" Post to which Eckford replied, "It's too late, I've just shot and killed Lance-Corporal Davies."

Detective-Inspector J. T. Shields, of the S.M.P., said that when he proceeded to "E" Blockhouse he saw a stream of blood by the sentry box. Inside the blockhouse he was handed a rifle, number 229, with a cartridge in the breech, a packet of Red Star cheroots and a clip containing four rounds. Capt. John Sholto Henry Douglas said he received these articles from Inspector Shields. Lieut. R. D. Maclagan stated that he handed the rifle to C.S.M. H. Gillam of "B" Company.

Answering Mr. Newman, C.S.M. Gillam said that it was a common occurrence for men to be "up for orders." There was an average, in his company, of two days a week when men were up and the number of men was anything up to six. If a man was on duty in a blockhouse he could not be "for orders." If it was a serious crime he was taken to the billets and if it was not so serious he would wait until his duty was finished. After evidence by Lance-Sergeant John Gordon McNaughton, who identified the body at the inquest, the hearing was adjourned until the afternoon.

Upon the resumption Mr. McNeill stated that the case for the prosecution was closed and Mr. Newman intimated that he would call only one witness—Private Eckford. On entering the box Eckford said he was 25 years of age and a native of Kirkcaldy, Fifeshire, Scotland. He joined the Seaforth Highlanders in 1934 and in November, 1939, was in "B" Company of the 1st. Battalion.

At about 5 p.m. on November 2 he went on duty at "E" Post, having been sent there to relieve a man who was sick. He did not know Lance-Corporal Davies, who was in charge of the Post, very well. He had never had any trouble with Lance-Corporal Davies, who was also in "B" Company. He was the senior soldier and so he relieved Lance-Corporal Davies of his duties. Between them they arranged to do eight hours on and eight hours off.

On November 4 witness was due to go on duty at 10 p.m., having come off at 2 p.m. a N.A.A.F.I. van came round the post in the morning and witness bought two quart bottles of beer. He drank one upstairs at about 11.30 a.m. and when he came off duty he went to Sector

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Headquarters to have a bath. At the headquarters there was a N.A.A.F.I. shop at which he purchased and drank one bottle of beer before purchasing two quart bottles of beer. Witness carried the beer back to the post in his towel and took the bottles upstairs.

At about 4 o'clock in the afternoon he drank the next bottle of beer and the fourth bottle was consumed after tea—about 5 o'clock. The remaining bottle was finished at about 6 p.m. At about 7 p.m. he left the blockhouse and went across to a money exchange shop where he purchased two more bottles of beer. These he placed by an iron gate near the sentry box. After doing this he walked up the road to the end of the wire and stood there for a minute or two before turning around to go back. He added that he was not allowed to leave his post.

On the way back, Private Eckford continued, he bought a packet of cigars and then returned to the post. Here he met someone, he was not sure who it was, who told him that the lance-corporal was looking for him. He met Lance-Corporal Davies coming down the stairs as he approached the post. The lance-corporal asked him where he had been and witness replied that he had only been for a walk and why the hell shouldn't he go for a walk. To this, Eckford went on, Lance-Corporal Davies replied "You should know better than to leave your post. You will be for orders."

Private Eckford added that he had been for orders many times and he did not say anything to Lance-Corporal Davies. The conversation, he said, took place somewhere around 7 o'clock. Afterwards witness went upstairs and he believed that Davies followed him. Inside the blockhouse witness sat on a chair and picked up a paper and started to read. After reading for about an hour he went downstairs and drank one of the bottles, which he had left behind the sentry box. After doing this he went back upstairs.

About half an hour or so later he went down again and drank the seventh bottle. He was not drunk but a bit heady. Just before the shooting incident occurred he saw Lance-Corporal Davies at the foot of the stairs and witness told him that he thought someone had been using his rifle because it was not in the same position he had left it in. "He said I was drunk," Eckford continued. "He asked me how many bottles of beer I had drunk and also asked me if I'd got any more beer upstairs."

To this witness replied that there might be one and that he would go and see. At this point, Eckford stated, Lance-Corporal Davies said "Go and get it." This, he thought, may have been the remark Private Stirling had heard in the conversation between himself and Lance-Corporal Davies. Witness went upstairs but did not find any beer. "I picked up the rifle," he went on, "and removed a round from one of the clips in my pouches. I came downstairs with the rifle in my hand. I intended to give Lance-Corporal Davies a fright. I loaded my rifle when I got eight or ten steps from the foot. He (Lance-Corporal Davies) was standing between the ladder and the sentry box looking at me."

Private Eckford continued "I am sure he saw me because he was standing a few yards away, watching. When the rifle was loaded I hung it over my right shoulders and I descended to the foot of the steps. Davies moved further back past the sentry box and then stopped. He stood facing me. I took the rifle from my shoulder and walked up towards him. I intended to give him a fright as he had been bullying me." He added that he carried the rifle at his side, His Lordship describing the position as a sort of trail arms with both hands on the rifle.

"I stopped about two or three yards from Davies," said Private Eckford. "I lifted the rifle to my shoulder and shouted "'I'm going to shoot you, 'Dagger'." I had absolutely no intention of shooting him. When I used these words the rifle was partly up to my shoulder. Before I got my rifle into aiming position the butt struck my armpit and went off. I don't remember whether my hand was on the trigger. Davies fell on his back and the rifle fell from my hand just in front of me. I bent over and looked at Lance-Corporal Davies and shouted upstairs to the blockhouse 'Northrop'. I did not say 'I'm ready for the sergeant.' I went upstairs into the blockhouse leaving my rifle on the ground."

On entering the blockhouse, witness said, he met Private Northrop getting out of bed. Northrop asked him "Didn't you hear a shot?" and witness replied "I've shot Lance-Corporal Davies." He then went to the phone and rang up Sector Headquarters. On the phone he said "I want to speak to the officer. I think I've killed Lance-Corporal Davies." He did not say "It is too late. I've shot and killed Lance-Corporal Davies." He added that he had spoken to Davies several times before but he had never been on duty with him prior to this occasion.

When he came downstairs he believed Northrop came down behind. He noticed that the rifle was lying where he had dropped it. He then picked it up and stood it against the sentry box. Just then the duty truck came and he got inside. On the way back to Sector Headquarters they met Lieut. Marshall, who was told by Sergeant MacDonald that one of the men had shot his post commander. "I said 'I shot him, sir'," continued Eckford. When the duty truck arrived he had said to Sergeant MacDonald "I think he's dead, sergeant. I shot him."

Witness then identified a rifle, which was handed to him, as his own. "That's my rifle," he said. "Do you admit shooting Lance-Corporal Davies?" asked Mr. Newman. "No, the rifle I was holding shot him," replied Eckford. "I was stunned by the shock. I had no intention of shooting Lance-Corporal Davies."

Cross-examined by Mr. McNeill, Eckford said the cigars which he had bought had cost 25 cents. He received some small notes in change and he assumed it to be correct. When he went to buy the cigars he knew that he should not have left the post. He added that newspapers were supplied to the post from the regiment. He had been reading the "North-China Daily News." Was it interesting?" asked Mr. McNeill. "Yes, I was reading about a sergeant of the Shanghai Police who was suing the S.M.P." replied Eckford.

After the sixth bottle of beer, witness said he went to the blockhouse, where he saw Northrop and Sullivan lying down and Lance-Corporal Davies sitting on a chair. When he told Davies that someone had moved his rifle he wanted to divert the Lance-Corporal's attention from the two bottles of beer lying at the gate. The rifle had, in fact, been moved. The weapon was in good order and mechanically perfect as far as he knew.

When he removed one round from the clip he intended to load it. "I wanted him to see me loading it," he said. "I didn't want the rifle to go off." He agreed that he could have pressed the round into the magazine and applied the cut-off. "Davies would then have seen that the round was in the magazine and not in the breech," Eckford stated. He did not apply the safety catch and he agreed that he could have done so without anybody noticing it. "I wanted him to believe that I was going to shoot him," Private Eckford added.

"I gave no thought to what he would do. It is a serious military offence to threaten an N.C.O. with a rifle."

Sentenced to Death

Jan. 12.

Standing stiffly at attention in the prisoners dock in the H.M. Supreme Court, and looking straight at the Judge, Private David Eckford of the Seaforth Highlanders was sentenced to death shortly before 7 p.m. yesterday after the jury had returned to the court following deliberations lasting from 4.04 p.m. to 6.45 p.m. Pte. David Eckford, it will be recalled, was charged with having murdered Lance-Corporal James Davies on the evening of November 4. Judge Sir Allan Mossop heard the case, Mr. John McNeill, Crown Advocate, prosecuted and Mr. K. E. Newman defended the accused. The jury was composed as follows: Messrs. A. G. Davies, F. F. Sullivan, R. H. Box, G. T. Gambling, G. A. Morris, J. Watson, R. V. Thomas, E. Stephenson, R. B. Moller, P. R. M. Wallis, N. Boniface and P. J. MacKellar. After having passed sentence, his Lordship thanked the members of the jury and exempted them from further jury service for a period of ten years.

At the opening of the hearing yesterday morning, Mr. P. R. M. Wallis addressed the court with the request that the jury be given leave to go to the blockhouse and that they be given the custody of the rifle while there. He also asked for permission to have a responsible officer of the Seaforth Highlanders accompany them. His Lordship said that he was prepared to adjourn the case until the jury had been at the scene, but that he could not allow the jurymen to take evidence from anyone while there.

Mr. Wallis then asked that certain passages from the evidence given by Private Stirling at an earlier hearing, be read, in particular with regard to the distance of his beat from the sentry box. Certain passages from the evidence given by the accused at the previous hearing, regarding his actions as he came down the steps from the blockhouse, were also read.

A ladder was then brought into court and the accused with rifle in hand, showed just what he did when he touched ground, putting his rifle between two steps, pushing back the bolt and then turning. At this point the jury left the court and returned at 10.50 a.m.

On behalf of the jury, Mr. Wallis then asked that Pte. Stirling be recalled to the box. Witness in question not being in the court, His Lordship read part of the evidence given by him and Mr. Wallis thereupon said that it would not be necessary to have stirling called.

On behalf of the Crown, Mr. McNeill then summed up his case. In addressing the jury, he pointed out that, after having heard all the evidence available to the prosecution, there could be no doubt in their minds that the accused did shoot L/C Davies. He added that, whereas in most cases of murder, the actual killing is witnessed by no one, the evidence in this case was different.

Following the outline of all the evidence, Mr. McNeill added, it must be said that feelings existed between the two men on the night of the shooting which would rouse a man of quick temper to commit a murder.

"We know," Mr. McNeill continued, "that at about 9.30 p.m. on the night of November 4, Signaller Hunter at "B" sector headquarters received a telephone message from "E" post and clearly knew that Davies was on the other end of the line. We were not told what this conversation was but it is not difficult to imagine its nature.

As a result of this, L/c Robertson is sent to "E" post and had a brief conversation with the deceased. He returns to headquarters where he makes a report to Sergeant MacDonald who in turn leaves for "E" post and in this connection it is important to note that MacDonald left headquarters before the second message was received at 9.45 p.m. which Hunter communicated to Lt. Marshall.

"In my submission, gentlemen" Mr. McNeill added, "there can be no doubt about this part of the evidence, namely, that something had occurred at "E" post which required the presence of a senior. It is not a matter for the Crown to find a motive for a murder, but the Crown must establish that a murder has been committed. What the exact nature of the events at "E" post were, we shall never know but those events were at least of a nature to require the lance-corporal to send accused up for orders.

"Not one single item in the evidence of the accused," Mr. McNeill added, "substantiates the contention that the rifle went off by accident."

The Crown Advocate then recalled the evidence given by Pte. Stirling who had said that from the moment that the shot had been fired, the accused had remained calm. He asked the jury to imagine how they would act had they shot someone by accident subsequently finding out that the person had been killed. He asked the jury what their reactions would be and then asked them to compare these with those of the accused who, according to the testimony of witnesses, had repeatedly said, "I killed him," "I'm ready for the Sergeant now," "I've shot him."

Mr. McNeill pointed out that at no time did the accused mention to anyone that the shooting had been an accident, until he told his Counsel many days afterwards.

The Crown Advocate also pointed out that there was no evidence to show that the accused had been drunk after having consumed seven large bottles of beer.

In referring to L/c Davies' saying "Go and get it" to the accused, Mr. McNeill said that this could not possibly have referred to a bottle of beer because Davies had said these words a few moments after having called headquarters. The patrol was consequently on the way and it is therefore only natural to assume that Davies was referring to Eckford's rifle and equipment because he intended to send Eckford back to headquarters in view of the serious nature of the offence committed by him.

The Crown Advocate then referred to the behaviour of the accused from the moment he entered the blockhouse. He removes one round of ammunition from the clip which he inserts on his way downstairs and fails to replace the safety-catch after loading. Thus, Mr. McNeill contended, the rifle was ready for instant use when Eckford left the stairs.

Mr. McNeill maintained therefore that it was difficult to doubt at any rate that from the time he had loaded his rifle, the accused intended to shoot Davies and that, in doing so, he was in his full senses. Mr. McNeill recalled that in his own evidence, the accused had said that he was not drunk after his last bottle of beer which he had at 8 p.m. He also recalled that the accused, prior to shooting had told Davies: "I'm going to shoot you."

Mr. Newman, in closing the case for the accused, contended that the defence had never denied that Davies had been shot by a gun held in the hands of the accused and that this had been freely admitted. The defence, he added, maintained, however, that the shooting was unintentional and unpremeditated.

In referring to Ptes. Stirling, Northrop and Sullivan, Mr. Newman said that their mentality was not high and that a number of mistakes had been made, and that some confusion had prevailed during their testimony.

The accused, Mr. Newman continued, is an uneducated man and his choice of words when giving evidence, may have been unhappy at times. Yet, his story had been a simple one and indicated a complete lack of responsibility. He pointed out that if Eckford's story had not been true, he could have made up an endless number of infinitely better stories. He therefore asked the jury to accept Eckford's version of what occurred at the time.

After paying tribute to the traditional fairness of the Crown Advocate in placing his case before the court, a tradition which Mr. McNeill had upheld, Mr. Newman asked the jury to dismiss from their minds the Crown Advocate's theory that the accused was to be sent back to headquarters in view of Sergeant MacDonald's statement that he went to "E" post to settle some trouble.

Mr. Newman pointed out that Davies and Eckford had never been on duty together before and he therefore submitted that there was a complete lack of motive for the killing.

"I submit to you," Mr. Newman added, in addressing the jury, "that the Crown has not produced evidence for murder but a theory at the utmost, that a murder had been committed."

In referring to Eckford's calmness, Mr. Newman maintained that the fact of seeing Davies fall to the ground, sobered him up. He then dwelled at some length on the evidence given by the accused at a previous hearing and the case was then adjourned to 2.30 p.m.

Afternoon Hearing

In a very strong plea on behalf of the accused, Mr. Newman concluded in the earlier part of the afternoon. Subsequently, His Lordship addressed the jury, informing them of their duties and at great length reading from the evidence given by the various witnesses. He defined murder and homicide and asked the members of the jury to live up to the great responsibility resting with them and to perform their duty without flinching, however their verdict may be.

The jury left the room shortly after 4 p.m. and when they returned almost three hours later, the court room was filled to capacity.

Visibly moved, the twelve jurymen took up their places.

Judgement

Clerk of the Court: "Gentlemen of the Jury, have you reached a verdict?"

Foreman: "Yes, we have."

Clerk of the Court: "How do you find the prisoner, guilty or not guilty?"

Foreman: "We find the prisoner guilty of murder with a recommendation for mercy."

His Lordship: "Private David Eckford, after having given the most careful consideration to the evidence in this case, the jury have found you guilty of the felony of murder with a recommendation to mercy. That recommendation will be forwarded to the proper quarter. The verdict leaves me no alternative under the statute but to pass upon you one sentence—the sentence that you be taken from this place to a lawful prison and thence to a place of execution and you be there hanged by the neck until you be dead. May the Lord have mercy on your soul."

H.M. Police Court

Sikh's Death

INQUEST ON BISHEN SINGH

Before Mr. C. H. Haines, H.M. Coroner
(Adjourned)

Shanghai, Jan. 9.

The inquest on Bishen Singh, an Indian watchman who died in the General Hospital on December 14 after he had been discovered lying in Robison Road with a fractured spine and other injuries by passengers in an S.V.C. armoured car, who stated that they had felt two bumps just before the car was stopped and the discovery made, was continued in H.M. Police Court by Mr. C. H. Haines, H.M. Coroner yesterday.

There were three witnesses, a Sikh Police Constable, a foreign Sergeant of the S.M.P. and a member of the Russian Regiment, S.V.C., who was the driver of a second armoured car which followed the one in question. Mr. P. Watkin Williams appeared for the S.M.C. The enquiry was adjourned until 10 a.m. on January 11.

Nicolai L. Kazanseff, a chauffeur of the Russian Regiment, S.V.C., who was driving armoured car No. 2 in the early hours of December 13 said the car was part of the Gordon Road Station patrol. At about 2.47 a.m. he was proceeding north to south down Robison Road, about 10 or 12 yards behind the first armoured car. About 50 yards south of Penang Road, he noticed a Chinese woman on the side of the road, who shouted and made signs to him to stop.

"I immediately stopped," witness said through an interpreter. "Then I noticed that the car ahead had also halted and the driver and sergeant alighted. The Indian was lying on the road about two or three yards from the radiator of my car, and slightly to the right of the car. I spoke to him and he opened and closed his eyes. He did not say anything. I noticed a smell of alcohol. I also noticed some dried blood on the right corner of his mouth. I thought he had been hit before the accident and the blood had dried."

"Why did you think it had happened before the accident?" the Coroner asked. "There is a great difference between the colour of old and new blood," replied witness. "This blood looked as if the injury had occurred before. It had dried and congealed into a scab. It looked as if it had come from the inside of his mouth."

Witness continued that the street lighting was poor and he was driving with dim lights at the time. It was also drizzling and the road was wet and muddy. It was nevertheless in good condition. He stated that he did not see the Indian from his seat in the car, and also said that if he had continued to drive in the same direction he would have run over the Indian.

Darshan Singh, Sikh Police Constable 645, attached to Gordon Road Station, stated that he had visited the deceased in hospital while he was still conscious. He asked Bishen Singh what had happened, and the latter replied, "I was hit by a vehicle." He could not remember where he had been hit nor where the accident had occurred. "I asked him if he was drunk," the witness related. "He replied that he had been drinking with a friend at the Sincere Company. He could not remember his friend's name." Witness had also examined the clothes of the deceased. There were no marks on the trousers or turban, he said, but the overcoat had mud marks on it and also dust.

Sergeant John Seaby of the S.M.P. Traffic Branch, next gave evidence. He said that the armoured car with its crew of four men weighed 7,825 lb. The steering and brakes were fully efficient and in his opinion, the armoured car, when travelling at 7 miles per hour, could pull up within five or six feet. The inquest was adjourned until January 11.

Jan. 12.

During the adjourned hearing of the inquest on the death of Bisher Singh before Mr. C. H. Haines, H.M. Coroner in H.M. Police Court yesterday, Dr. E. Hertz of the General Hospital gave evidence describing the nature of the injuries of the deceased. The case was then adjourned to January 25.

Traffic Cases

S.M.P. *v.* F. W. CLIFTON AND G. M. HOREY

Before Mr. C. H. Haines, H.M. Registrar
(Fined)

Shanghai, Jan. 10.

Both defendants in traffic cases which came before Mr. C. H. Haines, H. M. Registrar in H. M. Police Court yesterday, pleaded guilty in writing and were fined two shillings each. In both cases, the defendants, Mr. F. W. Clifton and Mr. G. M. Horey, did not appear in court.

Italian Consular Court

Demurrage Case

M. I. SOULEVICH *v.* F. G. RIGHINI

COUNSEL: Dr. P. V. Têrni for plaintiff and Dr. A. A. Albini for defendant.

Before Judge Rapex
(Judgment for plaintiff)

Shanghai, Jan. 9.

Judgment to the amount of £582 6s. 11d. plus $800 attorney's fee, was awarded in favour of Mr. M. I. Soulevich of the Union Steamship Agency against Mr. F. G. Righini in the Italian Consular Royal Court in Shanghai by President Rapex. Dr. P. V. Terni appeared for the plaintiff, Mr. Soulevich, while Dr. A. A. Albini represented the defendant. The original claim was for £575, representing a demurrage of 11½ days at £50 per day of the ss. Mimer which was sub-chartered to the defendant by the plaintiff.

First Special Court

Emigre Sentenced

Shanghai, Jan. 9.

Charged with assault causing bodily harm, a German emigre named Paul Licomsohn, was sentenced to 30 days' detention by the First Special District Court yesterday. He was found to have whipped a rickshaw puller with a leather whip near the Garden Bridge early yesterday morning when the latter refused to receive his credit notes issued by a restaurant representing a face value of 30 cents. Both were taken to the Central Police Station where instead of answering questions he again played with the whip across a foreign officer on duty.

Burglar Sentenced

Shanghai, Jan. 13.

A Polish man named Daniel Pobran, alias Daniel Tobrin, who entered the flat occupied by Mr. W. H. Greene, of the Fourth U.S. Marines at 227 Nanyang Road on January 7, was sentenced to four months' imprisonment yesterday by the First Special District Court.

The accused broke into the house just before the Greenes returned home. He was found in the bedroom and soon taken to the Bubbling Well Police Station by Mr. Greene. Pobran's explanation that he had gone to the flat just for a look-see could satisfy neither the police nor the judge, who found out that his make-believe and uninvited visit were only a cloak to criminal ambition.

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FOREIGN TELEGRAMS

The European War, Jan. 9.

Britain Resolved to Win

Mr. Chamberlain Promises Real Aid for Finland; Allies Not Seeking to Annihilate German People

London, Jan. 9.

THE Soviet attack on Finland was vigorously denounced by the Prime Minister, Mr. Neville Chamberlain, in a speech at the Mansion House today inaugurating a great nationwide campaign, in which members of the War Cabinet, addressing the people directly, will renew the asserveration of the objects for which the Allies have taken up arms, and steel the resolution of the public for sacrifices which lie ahead.

The Prime Minister, in his address, reaffirmed his determination to do everything to bring the war to a successful conclusion; described as a "vindictive and malicious invention" the suggestion that the Allies sought the annihilation of the German people; emphasized the necessity of increasing exports and diminishing imports; reviewed British successes at sea; and expressed the hope that the Anglo-French commercial and economic agreement would outlast the war.

"When I look beyond the boundaries of this country," Mr. Chamberlain declared in regard to Finland, "I cannot fail to observe how easily and how rapidly those evil things of which I have spoken before, spread unless they are checked.

"Germany used brute force upon unhappy Poland, and today we can see how she is treating the Poles and Czechs, exploiting their resources, carrying off their food, starving and shooting their people, tearing them and uprooting them from their homes in order to make way for Germans who, in their turn, have been forced to leave lands where they and their families had been settled for generations.

"And now it is the turn of Finland to be attacked by that power with whom Germany has signed a pact, and to whom she set an example of aggression.

"Finland today, among her snows and her frozen lakes, is resisting against forces of unscrupulous violence, just as we are ourselves (Applause). She is fighting for the same liberty and for justice. And her marvellous successes fill us with admiration for her heroism. That gallant people can rest assured that our response to the resolution passed recently at Geneva will be no mere formality."

Firm Resolve on Victory

The Prime Minister then made a brief allusion to his dedication to victory.

In ringing tones he declared: "Since that day when war was declared, my sole thoughts and all my actions have been directed to one purpose only, namely, to do all I could, in the closest conjunction with our dauntless French Allies, to bring this war to a successful conclusion.

"To that end I have subordinated everything else—all thought of rest or relaxation—all partial affections, to use the words of the daily prayer in the House of Commons—and all personal feelings and considerations whatsoever.

"From that purpose, so long as I hold my present office and until the war comes to an end, I will not be deflected, nor will I shirk my inevitable responsibilities in what I feel to be right, no matter how difficult or even disagreeable they may be."

The New Year, Mr. Chamberlain continued, would probably be a fateful one in the history of the world. It had opened quietly, but it was the quiet of the calm before the storm. It was only on the sea that the war might be said to be in full operation.

Surveying the trend of the hostilities in the first four months of the war, the Prime Minister declared that the result was not unsatisfactory.

German Shipping Cleared Away

"The oceans of the world," he asserted, "have been swept clear of German shipping (cheers). The German Fleet, which at the beginning of the war was less than one quarter of our own, has lost, by capture, by sinking and above all, by scuttling, 228,000 tons, and the rest of it is either bottled up in foreign ports or confined to the Baltic.

"On the other side, attacks upon our fleets, which of course present a very much more extensive target, whether U-boats or by mines or by raiders, have up to the present produced meagre results.

"If we subtract from our losses by enemy action, or by ordinary marine casualties, our gains by capture from the enemy, by new ships on by transfers from foreign flags, we have lost up to date 122,000 tons—less than one per cent. of the merchant fleet that we possess (cheers), and every day now there are passing to and fro upon several oceans of the world no less than 11,000,000 tons of British shipping.

"In this period we have lost two large warships—the Royal Oak and the Courageous—and a certain number of smaller vessels. What is much more painful is that we have also lost a number of valuable lives in the Royal Navy, the mercantile navy, and in unarmed and defenceless commercial vessels. Yet our command of the sea is unimpaired. And the defeat of the Graf Spee in one of the finest naval actions in our history (cheers), followed by her self-destruction rather than fight, has not only cleared the South Atlantic of that raider, but it has inflicted irreparable damage upon German naval prestige throughout the world."

Inexorable Pressure on Reich

Mr. Chamberlain added that the inexorable pressure of sea power acting on the enemy was producing ever increasing difficulties for her, and its results were not yet visible.

"You have only the Christmas orations of German leaders," he said, "to show that they are ever present in their minds."

The Prime Minister then expressed Britain's sympathy with Turkey which, by floods and earthquakes, had suffered more casualties than had been sustained in many weeks of war by all the belligerents together. The British and French Governments had already contributed sums of money for the relief of victims. Further assistance would be given.

"This collaboration between France and ourselves for humanitarian purposes," Mr. Chamberlain continued, "is only just another instance of that close and even intimate association between us which colours every aspect of the war—military, political, financial, economic.

Future of Allied Ties

"I cannot help thinking that our experience of this association during war will prove a tie so valuable that when the war is over, neither of us will want to give it up (cheers), and might even develop into something wider and deeper, because there is nothing which would do more to facilitate the task of peaceful reconstruction, which has got to be undertaken some time.

"There is nothing which would contribute more towards the permanence of its results than the extension of Anglo-French collaboration in finance and economics to other nations in Europe, and indeed perhaps to the whole world" (cheers).

Mr. Chamberlain regretted to hear that M. Daladier (French Premier) had suffered an accident, and wished him a speedy recovery.

The Prime Minister then dealt at length with the position on the home front.

Results of Conscription

He revealed that the total number of men who, since the introduction of compulsory service, had been registered and become liable to be called up under proclamation, amounted to between 2,500,000 and 2,750,000. These, together with members of the regular, reserve and auxiliary forces before the war, and the very large number of volunteers who had entered the army since the war, and the great growing forces of the Air Force and Royal Navy, showed that the mobilization of manpower in this country for military purposes was already on a prodigious scale.

Then, there was the great system of civil defence, which had been built up by way of preparations against air raids. He did not think the risk of air raids was over, or even that it was diminished. As long as that was so, they would make a capital mistake if they were to reverse the policy of precautions hitherto followed.

Mr. Chamberlain expressed regret that some evacuated children had returned to towns, and hoped that parents would leave their children in evacuation areas, looking upon the temporary separation of their family as one of those sacrifices necessary to win the war.

Sacrifices to Come

The British people were united in their determination to win this war, and put an end to the spirit dominating German policy. But they must not think that because this war had not taken the form hitherto that it did in 1914, they could carry on as if they were still at peace.

"Although we are not actually fighting on land," the Prime Minister asserted, "we are making preparations to do so with the greatest effect when the right moment comes, and for that purpose we are devoting more and more manpower to armament production. That must mean less and less manpower for civilian goods.

"People might ask why we are not using the unemployed to produce these goods. Unemployment figures were partly misleading, as they included perhaps 500,000 merely passing from one job to another. As to the rest, their situation is only temporary, because the great bulk of them will be gradually absorbed as we extend the number of firms engaged on armaments."

Mr. Chamberlain stressed the necessity of increasing exports and diminishing imports of goods they could do without. They planned, he said, to add meat to the list of rationed commodities before long.

While there was no reason to suppose that the country would have to go short of anything necessary for health or efficiency, they should not hesitate to add to the rationing list if the necessity should become acute.

Nazi Greed for Conquests

Concluding the Prime Minister said: "It is becoming increasingly clear that the German Government had long planned the successive stages of its programme of conquest, and that its appetite grows by what it feeds upon.

"Today, members of that Government do not hesitate to say that they desire to achieve the ruin of the British Empire, and no doubt they would rejoice if they could treat us as they are treating the victims who are already within their grasp.

"We, on our side, have no such vindictive designs. To put it about that the Allies desire the annihilation of the German people is a fantastic and malicious invention, which can only be put forward for home consumption.

"On the other hand, the German people must realize that the responsibility for the prolongation of this war, and all the suffering it may bring in the coming year, is theirs (cheers), as well as that of the tyrants who stand over them (cheers).

"They must realize that the desire of the Allies for an essentially humane, just and Christian settlement cannot be satisfied by assurances which experience has proved to be worthless.

President Roosevelt's Message

"The methods that are pursued by the government of Hitler are a standing threat to the independence of every small state in Europe. They are a constant menace to the moral standards on which the whole of western civilization is founded.

"Nowhere have they aroused greater detestation than throughout the Continents of North and South America. In his recent message President Roosevelt declared that only by the association of seekers of light and seekers of peace everywhere could the forces of evil be overcome.

"I profoundly agree. But I would add that if the forces of right are to prevail, we must not hesitate to risk our blood and our treasure for so great an end (applause).

"In our determination to achieve our purpose we are united among ourselves, and we are supported by the peoples of the Empire, and by the power and resolution of France."—Reuter.

British Liner Beats Off U-Boat

Rio de Janeiro, Jan. 9.

The British liner Highland Patriot, 14,000 tons, which arrived here yesterday, is reported to have been attacked by an U-boat in the course of her voyage from Europe.

Three torpedoes were fired at the liner, but all missed. The submarine then came to the surface and fired repeatedly but fruitlessly at the liner. The Highland Patriot replied with gunfire and the fight lasted two hours. Finally, the submarine made off.

A Portuguese passenger is reported to be dead aboard the liner.—Reuter.

Canadian Red Cross Donating $100,000

SPECIAL TO THE "N.C.D.N."

Ottawa, Jan. 9.

The Canadian Red Cross has authorized the donation of $100,000 to the British Red Cross Fund, initiated by the Lord Mayor of London. A further sum of $50,000 is donated to relief work in Finland. Large quantities of medical requisites, clothing and other supplies are being provided for both Finnish and Polish refugees.—Reuter.

Finns Take Rich Booty, Prisoners

Helsinki, Jan. 9.

The Finns have scored a striking victory in destroying a Soviet division along the road from Suomussalmi to the Soviet frontier, according to a Finnish communique. Besides 1,000 prisoners, the Finns are claimed to have captured much war material, including tanks and armoured cars.

In the recent fighting, the communique states, the main object has been to repulse the 44th Russian Division, and this now has been achieved, the Russian's main forces having been destroyed. The booty captured is stated to include 102 guns, 43 tanks, ten armoured cars, 20 tractors, 278 motor vehicles of various kinds, over 1,000 horses, and 47 field kitchens.

The Russian defeat is said to be largely due to the use of great quantities of material taken from the Russian 163rd Division, which was cut to pieces on the same front a week ago.

Suicide Squads Won Victory

The victory was made possible by suicide squads, which destroyed the railway between Suomussalmi and Uhtua, virtually starving the Russians who became struck in the marshy ground near Parsamonselk, and made a vain attempt to dig themselves in, surrounded by masses of mechanized material. The Finns brought aircraft into play, and dispersed the Russian concentrations. Many Russian tanks were sunk or wedged in the ice when the frozen surface of Lake Vokkijaervi was bombed, and hundreds of soldiers were drowned. The Russians were slaughtered with Russian machine-guns and artillery, and bombed with Russian bombs dropped from Russian planes—all captured by the Finns a few days previously.

The Finnish radio last night urged the Soviet people to abandon their Government and put an end to Communism. The Soviet regime, it declared, were traitors to the working class, and Comintern chiefs were the direct cause of their misfortunes.—Reuter.

Three Divisions Decimated

Helsinki, Jan. 9.

Any hope that the Soviet Army may have held to cut Finland in two was killed in the past few days when Finnish troops defeated Red detachments in the region between Suomosalmi and Raate to score the biggest victory of the conflict to date, a Havas correspondent reported tonight from the front.

The victory was confirmed officially this afternoon when a Finnish General Staff communique bolstered earlier meagre reports.

In a little less than three weeks the Havas correspondent said in his more detailed report, the Finns practically annihilated three Soviet divisions, numbering between 45,000 and 60,000 men in all. One division was smashed at Tolvajaervi, scene of the first striking Finnish victory. The second division was shattered and compelled to retreat precipitately from Suomosalmi. The third succumbed during the past few days in the serious fighting between Suomosalmi and Raate.

Soviet soldiers, retreating from their broken lines, left behind an enormous quantity of war material, transport horses and equipment of all kind. The number of prisoners-of-war taken by the Finns is estimated, the Havas correspondent stated at between 1,000 and 1,500. The Red soldiers offered less resistance in this last big battle than they did at Suomosalmi or Tolvajaervi, the Finns declared.

Finnish warplanes played an important role in the Raate fighting, destroying Soviet positions and harassing enemy troops and convoys.

The remarkable feature of the encounters was that in all the odds were approximately ten to one against the Finns. For this reason, the consequences of the defeat will be sorely felt by the Russians in lowered morale among the soldiers themselves, in loss of military prestige throughout the world and particularly in the increased morale of their opponents.

On the material side, the Red Army lost one division which it is hard to replace with transports in the poor condition they are now. This means that the Finns will be able to withdraw a part of their forces from this section of the front to rush them to other points, the Havas correspondent concluded.—Havas.

Moscow Says "Nothing Important"

Moscow, Jan. 9.

A Russian war communique issued yesterday reported that "nothing important" occurred on the Finnish Front during the day.

At Ukhta, Petrozavodsk and Repola, the communique said, scouting patrols were active. Scouts were also active on the Karelian Isthmus where there was some rifle and machine-gun fire and Red artillery units battered the Finnish lines. Owing to unfavourable weather conditions, the Red Air Force was confined to reconnoitering yesterday, the report said.—United Press.

Russians Resume Attacks

Helsinki, Jan. 9.

Russian forces resumed their short, sharp attacks against various points in the Karelian Isthmus and north of Lake Ladoga today after heavily bombarding the Finnish lines.

The Red attacks were apparently without result apart from the steadily increasing casualty lists.

Finnish troops penetrated far behind the Soviet lines extending from Leningrad along the Murmansk Railway, it was reported.—United Press.

U.S. Sends Another Big Sum

New York, Jan. 9.

Mr. Herbert Hoover, former President, who heads the committee for relief in Finland, today announced the transfer of another $100,000 to Finland for relief purposes. This brings the total so far sent from the United States to $500,000.—Reuter.

Reds Use Armoured Sledges

Stockholm, Jan. 9.

Soviet use of speedy armoured snow-sledges in Finland was reported today in the newspaper "Nya Dagligt Allehanda," which claimed the Finns had captured a number of these sledges at Suomosalmi. Russia hoped these sledges, capable of a top speed of 160 kilometres (100 miles) per hour, would produce the same effect on the Finns as the surprise use of tanks had during the Great War. The armoured sledges failed to prove of great value, however, because their pilots became unnerved when, driving at high speed, they came under Finnish machine-gun fire, and lost control of their craft.

The sledges were driven by air propellors and had a light gun mounted in front. They were strongly armoured and were used for the first time in the Lake Ladoga region, the Swedish newspaper declared. Finnish Army officers, it concluded, confidently asserted they could cope easily with this new weapon.—Havas.

Germany Stops War Material

Brussels, Jan. 9.

A large quantity of war material destined for Finland has been stopped in transit by Germany, according to the Berlin correspondent of the Belga Agency. At first sight the material seems to have originated from Italy. So far, German circles have given no political or legal justification for this seizure.—Reuter.

Hitler Confers on Issue

Amsterdam, Jan. 9.

Herr Hitler is back in Berlin after his Christmas holidays, and has begun conversations with political and military chiefs. According to the "Telegraaf," the most urgent business is Germany's attitude towards Sweden and the Finnish war. Concrete developments are expected in this connection shortly.—Reuter.

Berlin Refuses Answer

Berlin, Jan. 9.

An authoritative source here last night refused to answer the specific question whether Germany has held up shipments of Italian planes to Finland "as a general principle" that Germany reserves the right to halt such shipments of arms across her territory. Unconfirmed reports said crates containing Italian planes were held here and returned to Italy.—United Press.

Swedish Volunteers

Stockholm, Jan. 9.

Groups of volunteers, including undergraduates, are leaving Sweden almost daily for Finland. A skiing course for volunteers who are not proficient skiers has been organized, while the training of dog sleigh teams for the Arctic front is under consideration by the volunteers recruiting bureau.

Scandinavia's attitude towards the Finnish-Soviet conflict is vigorously defended today in the "Afterposten" and "Tidens Tegn," two of the most influential newspapers in Norway. Commenting on the German press campaign against northern countries, the "Tidens Tegn" writes: "We do not want 'Lebensraum (living space) to end outside our own borders, but we also do not wish to be the Lebensraum of other countries. We simply know that the fall of Finland will be a menace to ourselves. It is, therefore, necessary to do everything to prevent a Russian attack against its full objectives. This action is not directed against Germany, unless Germany has a real but secret pact with Russia to collaborate in the occupation of the northern countries. We refuse to believe this. We know that Great Britain is not threatening our integrity and independence."—Reuter.

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French Honours for British Generals

London, Jan. 9.

General Marie Gustave Gamelin, the Commander-in-Chief of the Allied forces in France, yesterday invested General Viscount Gort, the British Commander-in-Chief, and General Sir Edmund Ironside, Chief of the Imperial General Staff, with the Grand Cross of the Legion of Honour.

The ceremony was witnessed by Mr. Winston Churchill, First Lord of the Admiralty, who is at present on a visit to the British Expeditionary Force.—Reuter.

Investiture Described

Paris, Jan. 8.

The ceremony of investiture took place "somewhere on the French front," a Havas correspondent in the lines reported tonight. "It was a magnificent ceremony," he said, attended by Mr. Winston Churchill, British First Lord of the Admiralty, who is visiting the war zone once again.

"Mr. Churchill arrived accompanied by General Sir Edmund Ironside and General Gamelin was accompanied by his Chief of Staff, General George. All of them first were guests at a simple luncheon given by General Viscount Gort. "Then a special detachment of British and French soldiers who already have distinguished themselves in active service was drawn up as an honour guard.

"Mr. Churchill, together with his son Randolph, looked on while General Gamelin awarded the two British leaders their newly-won awards, the highest that France can give them. The unostentatious but imposing ceremony was followed by important conversations between the Allied generals and Mr. Churchill, who was to stay the night with Viscount Gort," the Havas correspondent concluded.—Havas.

French Repulse German Patrols at Front

Paris, Jan. 9.

German efforts to break through French outposts with patrol action resulted in complete failure last night, the 255th War Office communique said today. "Enemy patrols were repulsed by our fire throughout the night at various points," the communique said.

Despite indications that the Nazis were launching varied prepartions, best informed observers here insisted that they had not seen any signs which suggested immediate action by the Reich in any direction.—United Uress.

German Artillery Moved

London, Jan. 9.

A new German Army headquarters has been established at Recklinghausen, near the Belgian-Holland frontiers, the "Daily Telegraph" Amsterdam correspondent reported today.

Heavy artillery position have been prepared near the Netherlands' frontier, particularly in the wedge of German territory toward southern Holland in the Kleve district, from where it would be possible for heavy caliber guns to bombard Utrecht, the "Daily Telegraph" said. — United Press.

German Communique

Berlin, Jan. 9.

There has been more lively artillery fire and reconnaisance activity on both sides of the Western Front, according to the official German News Agency. Enemy artillery, it adds, bombarded the Perl and upper Perl regions and also a wide valley northeast of Ritzingen.—Reuter.

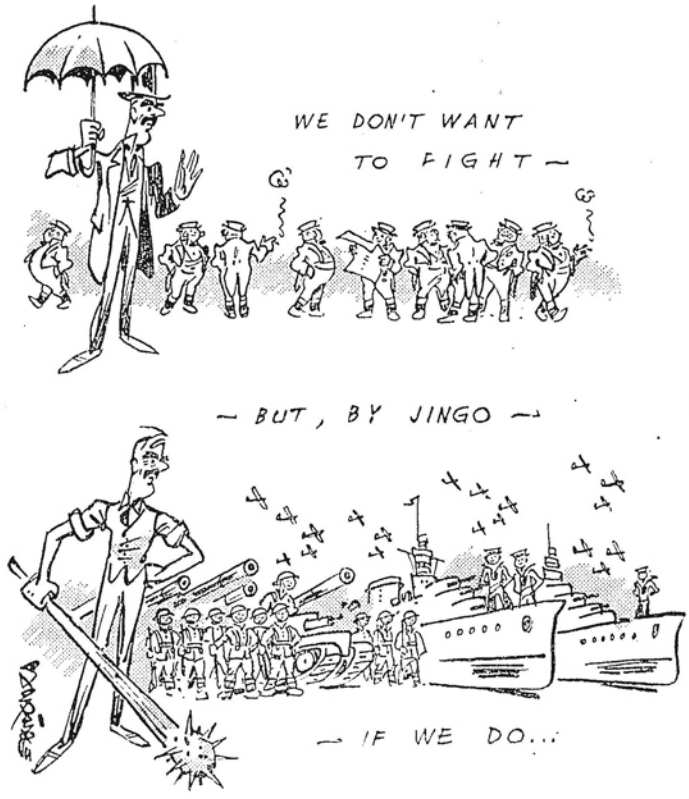
Canadian Contingent C.-in-C. in France

SPECIAL TO THE "N.C.D.N."

With B.E.F., Jan. 9.

Major-General Andrew George Latta McNaughton, commander of the Canadian overseas force, arrived in France today, accompanied by his staff. There was no official ceremony, the party proceeding direct to meet General Viscount Gort, Commander-in-Chief of the British Expeditionary Force.

The arrival of Major-General McNaughton coincided with the end of the inspection Tour of Mr. Winston Churchill, First Lord of the Admiralty. Before leaving, Mr. Churchill said in a statement about the Maginot Line: "Anyone at home would benefit very much by spending a few days with the French and British Armies. They would find it at once a tonic and sedative. I take back with me the same sense of organization, discipline, zeal and steady confidence that I felt when I visited the Fleet in the great naval ports.—Reuter.



We've Got The Man!

The European War, Jan. 10.

Union Castle Liner Explodes

Captain, Two of Crew Killed; All Others Saved in 10,000-ton Ship; British Merchantman Sinks U-Boat

London, Jan. 10.

VICTIM of a Nazi mine, the 10,000-ton Union Castle liner Dunbar Castle, sank yesterday off the south-east coast of England. The liner was outward bound to the Cape with 200 passengers and crew. The explosion, which crumpled the bridge and decks and blew out the foremast, killed the commander, Captain H. E. Causton, and two members of the crew. All the passengers, numbering about 48, got away in the ship's boats, and after drifting about in the Channel were picked up and brought ashore by a coastal motor barge.

Survivors report that the ship was broken by the explosion. There was a huge crack in the vessel and she broke in two before sinking about half-an-hour after the explosion. The liner sailed at 9 a.m. yesterday, and shortly after lunch a terrific explosion violently shook the ship. Lights went out and the liner began to list to the starboard.

There were no signs of panic. Survivors related on landing that after the explosion, in the darkness and smoke, they tried to run to their cabins to collect clothes and valuables, but did not succeed and lost everything.

"When we eventually scrambled to the deck," one survivor told Reuter, "the ship was listing badly. We were ordered to get lifebelts and put them on. Lifeboats were already swung out for us and we got in. We got away in the lifeboats and eventually we were picked up by a motor coastal ship."

Several children were aboard, including two five-year old twins, but none of them seemed any the worse for their experience. Passengers paid high tribute to the children's calmness after the explosion and while they were in the boats. The twins slept peacefully last night at a south-east coast port as if nothing had happened to disturb their daily life.

Tribute Paid to Captain

Passengers and crew alike joined in paying tribute to Captain Causton. He was on the bridge, which was wrecked by the explosion. Although mortally injured, he endeavoured to reach the cabin and secure the ships papers. He was found by a seaman, lying dead at the cabin door.

Some of the worst sufferers were those who were working in the galley. Several had their clothes blown off them, and a number were scorched by burning oil and fat, which was flung in all directions. A member of the crew, although wounded in the head, nursed a baby in one of the boats.

The courage of the stewardesses was commented on by one passenger, who remarked: "They put up a very fine show. When the galley caught fire I saw a stewardess rush through the flames with her apron alight. When next I saw her she was rowing in one of the lifeboats."

The Dunbar Castle was built in 1930.

Nazi Terror Tactics Resumed

London, Jan. 10.

In a fresh outbreak of terror tactics against merchantmen, fishing smacks and other peaceful vessels yesterday by German airmen, by far the most murderous attack was that on a Trinity House vessel, which was unusually full as it was on relief work.

Injured men told how a German plane dropped bombs, several hitting the vessel, and then, as the men raced to lifeboats, the machine swept down and machine-gunned them until the boats were riddled, and injured lay all over the deck. Some of the injured are now in hospital, gravely ill with bullet and splinter wounds.

Reasons for the Admiralty's reticence over certain items of news were disclosed today, writes Reuter's naval correspondent. German radio broadcasts frequently make claims of sinkings with the hope of provoking replies which might give them some information of value. For instance, a few days ago a German announcer asked: "Where is the Exeter?" and implied that the cruiser—one of the three which fought the pocket-battleship Admiral Graf Spee—had herself been sunk. This claim was undoubtedly made as a "feeler," for the Germans do not know where H.M.S. Exeter is refitting. The British Admiralty does not propose to be irritated into making a reply of the nature the Germans are seeking.—Reuter.

British Liner Sinks U-Boat

Rio de Janeiro, Jan. 10.

The U-boat which attacked the British liner Highland Patriot (14,000 tons) is reported to have been sunk after a fight lasting two hours. This is reported today by the Brazilian newspaper "O Globe," which claims to have obtained the information from members of the crew of the British liner.

The British Embassy neither confirms nor denies the report.

The Highland Patriot was reported to have been attacked by a U-boat during her voyage from Europe to South America. Three torpedoes were fired without effect. The submarine then rose to the surface and fired repeatedly at the liner, which replied with her own guns.—Reuter.

Nazi Raids Described

London, Jan. 10.

German air raiders sank three ships in the North Sea yesterday and attacked five others with bombs and machine-guns in a renewal of Nazi air activity over English wafers, the Admiralty announced here yesterday. "The British steamship Gowrie, 689 tons was sunk," the announcement said, "and all the crew was saved by a Danish ship. The Danish steamer Ivan Kondrup, 2,369 tons, was also sunk. Eleven survivors were landed by British vessels, but there were still ten men missing. The third vessel sunk by Nazi aircraft was the Danish steamship Feddy, 955 tons. There was no news of the crew of this ship available. All these were small unescorted merchantmen."

The Germans also carried out five attacks on other British ships, wounding at least 32 men aboard a lightship. In addition to attacks on shipping, Nazi air raiders flew over the Firth of Tay and the Firth of Forth yesterday. The British lightship was heavily damaged and it was feared that one of the crew was fatally wounded. Others were seriously wounded during the raid.

The raiders strafed and bombed the ship's decks. The lightship, which was enroute to relieve another lightship, was attacked for half an hour. Sixteen members of the crew of the lightship were wounded and were landed at an east coast port. They were all taken to a hospital for treatment. Eight of the wounded seamen had their faces and hands bandaged and were released after first aid treatment.

In addition to five larger vessels attacked by the German planes, it was learned that Nazi raiders attacked five fishing smacks off the east coast of Scotland. None was wounded on the smacks, however, and they all returned safely to their home ports.—United Press.

Rothesay Castle Hits Reef

London, Jan. 10.

It is learned today that the Union Castle liner Rothesay Castle, 7,000 tons, struck a reef on the west coast of Scotland last Thursday night and sustained damage. In the first month of the war, the Rothesay Castle had an exciting voyage when she successfully eluded attacks by German submarines. The liner carried no passengers. It is feared that the liner may break her back.—Reuter.

Not Sunk After All?

London, Jan. 10.

Zooming out of the swirling North Sea mists, Nazi bombers yesterday bombed and strafed eleven British ships killing at least one person and wounding 32. None of the ships was sunk, although the Admiralty earlier announced that reports indicated that three ships had been sunk.

Poor visibility hampered pursuing Royal Air Force planes in battling the raiders. Crowds lining the shore cliffs witnessed the attack.—United Press.

Italy As Guardian Of Balkans

Rome, Jan. 9.

The determination of Italy "to prevent the war spreading to the south to the Balkans and the Mediterranean," is expressed today by Signor Virginio Gayda in the semi-official organ, "Giornale d'Italia."

"Everyone should note," Signor Gayda declares, "that Hungary stands on Italy's side in the policy the latter is planning, and in the methods she intends to adopt for her development. At the same time Italy stands on Hungary's side as far as special problems of foreign policy are concerned."

The writer, who is recognized as Signor Mussolini's mouthpiece, then asks Rumania to consider the advisability of coming to terms in her territorial differences with Hungary in view of the European situation. It would be a fatal mistake, he states, not to eliminate those problems which are still open to solution.

Nothing is known in Rome concerning the conclusion of a defensive military alliance between Italy and Hungary, as reported in a New York wireless broadcast, which said that Count Ciano and Count Csaky, the Italian and Hungarian Foreign Ministers, had agreed to such a pact during their week-end talks in Venice. The New York wireless quoted a highly authoritative source in Budapest for its statement, declaring that Italy would undertake to go to the assistance of Hungary in the event of aggression against her by Russia or Germany. The announcer added that Count Csaky would submit the proposed pact to his Government, and then return to Italy.—Reuter.

Count Ciano to Return Visit

London, Jan. 9.

Count Ciano is expected to visit Budapest in April or May, according to the Budapest radio.

The French radio says that M. Viacheslav Molotov, Soviet Foreign Commissar, is expected to visit Berlin shortly to return the visit to Moscow of Herr Joachim von Ribbentrop, German Foreign Minister.—Reuter.

London Discounts Alliance

London, Jan. 8.

"Rumours alleging that Italy and Hungary have concluded an alliance directed against Germany and Russia are absurd," British political quarters stated outright this evening. It is most improbable, they pointed out, that the two Foreign Ministers should have concluded a definite agreement covering Soviet aggression. Moreover, when and if such an agreement materializes, it is unlikely in the extreme that it should cover German aggression, too, for Italy is not prepared to take an openly anti-German stand.—Havas.

German Raider Chased Off by R.A.F.

London, Jan. 9.

While in the act of attacking a British merchant steamer, a German raider was sighted by several British pursuit planes this morning and immediately given chase.

A terrific explosion was heard by those on the ship when the planes had gone out of sight. Several minutes later, all the British machines reappeared heading for the coast and flying extremely high, thus leading to the belief that the German raider was wrecked by an explosion.—Havas.

French Patrol Boat Wrecked

SPECIAL TO THE "N.C.D.N."

Madrid, Jan. 9.

The French patrol boat Barsac (1,000 tons) ran aground off Vigo and became a total wreck during a heavy storm on January 6. A Spanish merchant vessel landed 45 survivors at Vigo today. It is believed about ten of the crew of the Barsac lost their lives.—Reuter.

20 Lost as Tanker Sinks

London, Jan. 9.

Twenty members of the crew of the tanker British Liberty (8,485 tons), which sank in the North Sea during the week-end, are feared lost. The vessel is believed to have struck a mine. The captain is among the missing. Eighteen survivors arrived at a Channel port from France yesterday.—Reuter.

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FOREIGN TELEGRAMS (continued)

R.A.F. in France Made New Unit

London, Jan. 10.

It is officially announced that an air force command, to include all units of the British air force in France, will be formed.

It will be designated "British air forces in France," and will be under the command of an air officer commanding-in-chief, who will also be responsible, in consultation with the army commanders-in-chief concerned, for ensuring the most effective support by the British air forces for the British Expeditionary Force and the French armies on the Western Front

In conjunction with the General Officer Commanding-in-Chief of the French air force, he will also be responsible for co-ordinating the operations of the air force in France with those of the French air forces.

This arrangement involves no change in principle governing the relationship between the army and air force. It is based on an analogy of the existing relationship between the Royal Navy and the coastal command of the air force, and will ensure the closest co-operation between the army and air forces on the field.

In November last, this matter was fully reviewed in the light of practical experience of the exercise and control of the air force in support of the army in France. As a result of this review, these agreed recommendations were approved by the War Cabinet at the beginning of December.

Air Marshal A. S. Barratt has been appointed Air Officer Commanding-in-Chief of the British air forces in France, and will shortly assume his duties, says the Air Ministry.—Reuter.

Unit Under R.A.F. Control

London, Jan. 10.

Air Marshal Arthur Sheridan Barratt, newly-appointed Commander-in-Chief of the British Air Forces in France, will not be subordinate to Viscount Gort, the Commander-in-Chief of British Field Forces, but will be directly responsible to Sir Cyril Newall, Commander-in-Chief of the Royal Air Force, it was authoritatively learned today.

Air Marshal Barratt, former Senior Air Staff Officer in India, will assume his new functions in the very near future. Air Marshal Barratt is 48 years old and one of the youngest men ever to hold such a high position in the R.A.F.

Eucated at Clifton College, Woolwich and the Staff College, Camberley, he served through the Great War and was decorated with the C.M.G., M.C., Croix de l'Ordre de la Couronne, Croix de Guerre and was mentioned in despatches four times. After the War he became Chief Instructor, Royal Air Force Staff College, Andover and in 1931 and 1932 commanded the No. 1 (Indian) Group at Peshawar. Between 1932 and 1934 he served as Senior Air Staff Officer with the R.A.F. in India and then returned to Britain to become Director of Staff Duties in the Air Ministry for a year. In 1936 he was appointed Commander of the R.A.F. Staff College at Andover.—Havas.

New Commander

SPECIAL TO THE "N.C.D.N."

London. Jan. 10.

Air Marshal A. S. Barratt, Commander of the unified British Air Force in France, arrived by air today at the headquarters of the Air Force from a place where he had been stationed since the start of the war as Senior Air Liaison Officer with the French Air Forces.

Air Chief Marshal Sir Edgar R. Ludlow-Hewitt, Commander-in-Chief of the Bomber Command in Great Britain, flew from England to meet him.

Marshal Barratt will be answerable immediately to Air Chief Marshal Sir Cyril L. N. Newall, Chief of the Air Staff, as leader of Great Britain's air effort in France against the Nazis.

All ranks of the British Air Forces welcome the new development, which is a sequel to the evergrowing strength of Britain's air arm in France, says Reuter's Special Correspondent with the R.A.F. in France.

Unity of control, it is pointed out here, is considered an advantage, as all available air forces can be used in the best way according to the course of events.

There is no question of the British Expeditionary Force receiving any less support from the air, and in practice the excellent co operation between the Army and Air Force will be unaffected.

It may be emphasized that Air Marshal Barratt will not only work in the closest collaboration, but will have responsibility of equal importance for the successful prosecution of the war on the Western Front. Reuter's Correspondent concludes.—Reuter.

Finns Report Lull as Reds Retreat

Helsinki, Jan. 10.

Remnants of the shattered 44th Red Army Division were retreating in disorder toward Russian soil yesterday leaving thousands of dead along the roads east of Suomussalmi, it was reported, while Finland's leaders appealed to the world for loans and credits to maintain the war. One Finnish official broadcast an appeal stating that Finland's resources are "rapidly sinking." He said the time is near when "foreign credits are essential."

The shortest communique of the Russo-Finnish High Command reported a general lull on all war fronts.

M. Kyosti Kallio, venerable farmer President of Finland, made a personal verbal statement to the world's press appealing to world opinion against "the ruthless use by Russia of aircraft against defenceless civilians." The President revealed that during the first month of the war nearly 4,000 bombs were dropped in approximately 100 Finn localities by Russian planes. These bombs killed 234 civilians, seriously injured 269, and injured 210 less seriously, the President said. About 170 Russian planes were shot down during the raids, he declared.

M. Kallio implied that Finland will not appeal to the League of Nations again.—United Press.

Russians Admit Reverse

Moscow, Jan. 10.

An admission that Red Army forces had to withdraw in the Suomussalmi area—where the Finns claim to have scored their biggest success—is made in a communique issued by the Leningrad Command headquarters. The communique says fighting between infantry units took place west of Ikhta on Sunday, "as a result of which Soviet troops withdrew several kilometres west of Suomussalmi."—Reuter.

Finns Cut Railway

London, Jan. 10.

The Leningrad-Murmansk railway has again been cut by Finnish ski patrols and bombing planes, says a Rome radio report. Other reports from Helsinki state Soviet planes raided six small Finnish towns early today. Only minor damage was caused.—Reuter.

Australia Contributes

Geneva, Jan. 10.

Replying to the appeal by the League Assembly for assistance to Finland, the Australian Minister of External Affairs, Mr. W. M. Hughes, says the Commonwealth Government is prepared to render such assistance as is practicable. The Government has decided to donate £10,000 (Australian currency) to the Finnish Government for Red Cross purposes, and to approve the launching of an appeal for funds throughout Australia on behalf of the Finnish Red Cross.—Reuter.

Argentina Helps With Wheat

Berlin, Jan. 10.

According to a telegram from Buenos Aires, the Argentine Government has decided to put 50,000 tons of wheat at the disposal of Finland, who many make payment without interest in a form and at a time to be freely chosen by her.—Reuter.

Leichtenstein Volunteer

Stockholm, Jan. 10.

Prince Ferdinand of Liechtenstein has arrived in Helsinki to join the Finnish Army. The Principality of Liechtenstein is a small State situated between Switzerland and Vorarlberg (formerly Austria).—Reuter.

Eighteen Governments to Help

Geneva, Jan. 10.

Eighteen Governments have so far informed the Secretariat of the League of Nations of their plans to help Finland in accordance with the recommendation adopted by the League Assembly on December 14.

These Governments include ten American republics, one of them being the United States. About twelve states have not yet sent their replies to the Secretariat.

The Eire Government has informed the League that it is "consulting with the Red Cross regarding the granting of humanitarian assistance to Finland".—Havas.

Italian Press Comment

Rome, Jan. 10.

Considerable space was devoted by the press here today to the Finnish victory over Soviet troops at Suomosalmi, the importance of which was unanimously stressed.

The papers pointed out the consequences this new Soviet defeat must have for the prestige of the Soviet Army.

"The Suomosalmi defeat assumed the proportions of a veritable disaster," "Il Messagero" stated. "It is not the first and probably not the last, but it is more than sufficient to assert that the Kremlin morally lost the war. Whatever the latter may do to alter the trend of this military enterprise which has already caused so much bitterness to the Soviet dictator, nothing can give back the Soviet armies the honour they lost on the Finnish plains."—Havas.

Huge Red Losses

With Finnish North Eastern Army in Raate Sector, Jan. 10.

The Finnish Army today claimed that the Ninth Russian Army Corps, roughly 50,000 men who comprised the 44th, 163rd and 164th Divisions, was practically annihilated in the course of three battles between December 24 and January 7, both west and east of lake Kianta.

The Finnish victories on the mid-Finland fronts were considerably greater during the past fortnight than the communiques revealed, it was pointed out.

Finland's complete victory, as a result of the destruction of the Russian 44th Division at Raate, between Suomussalmi and the Soviet border, was announced two days ago. Finnish Army leaders here believed that only a small percentage of the Russian Ninth Corps managed to escape to Russia.—United Press.

Mutiny Breaks Out?

Helsinki, Jan. 10.

"It seems that a mutiny occurred among Soviet troops in a sector where I happened to be at the time," a Havas war correspondent reported today in a belated despatch dated December 29.

"The Russians did not fire a single shot at the Finns all day long," he stated, "but I heard from time to time shots and loud shouting coming from behind the Soviet lines.

"Finnish patrols, sent out at dawn, reported that the Russians had left their advance posts, abandoning their arms, ammunition and knapsacks.

"After noon, Finnish planes flew over the billets of the Soviet forces in the region and dropped three bombs," the correspondent concluded.—Havas.

Moscow Maintains Silence

Moscow, Jan. 10.

In strict pursuance of its policy of clam-like silence on war operations in Finland, the Leningrad General Staff said very little in its daily communique this evening.

"There is nothing important to report today," it began. "There was activity on the part of patrols and scouts. A few reconnaissance flights were carried out."—Havas.

Nazi Plane Dives Into Sea Off Norfolk Coast

A German twin-engined monoplane—apparently out of control and showing a green tail-light—dived into the sea off Norfolk after narrowly missing a gasometer and a number of buildings in a coast town. The crash occurred near the shore in the darkness just after 3 a.m. Later the body of a young German airman was washed ashore. When the tide receded the wreckage of the aircraft, which had a gunner's seat at the back, was found high and dry. Photo shows crowd surrounding the wrecked Nazi place on the beach.

British Colonial Troops Arrive in France

London, Jan. 10.

The first contingent of British colonial troops to serve in France with the British Expeditionary force have been landed on French soil. The soldiers are inhabitants of the Island of Cyprus and this will be the first time that the islanders have taken part in military operations with the British army.—Havas.

Poison Gas Charge Proved False

London, Jan. 10.

German allegations that the Royal Navy used mustard gas shells against the pocket-battleship Admiral Graf Spee in the December 13 battle off Uruguayan coasts today were definitely and finally disproved by qualified neutral testimony, the Admiralty revealed today.

A special Uruguayan medical commission, the Admiralty communique stated, carried out complete inspection of wounded sailors landed from the Graf Spee. Its official report, which reached London today, declared categorically that there was no sign about the wounded men's injuries to show they were afflicted with poison gas.

The full text of the Admiralty communique stated:

"It may be recalled that attempts were made by German propaganda to explain away the defeat of the Admiral Graf Spee by alleging that British cruisers had fired mustard gas shells during their battle.

"These allegations were denied at the time by the British Admiralty, which stated no mustard gas grenades or shells had ever been manufacured for the Royal Navy.

Charge Repeated

"The charges were, however, repeated and an attempt was made to give them substance by quoting the opinion of a Germon-Uruguayan doctor, Walter Meerhof, whose Nazi proclivities are well known in Montevideo and who, by his own confession, based his opinion on the testimony of photographers.

"A report by the medical commission officially appointed by the Uruguayan National Defence Minister particulars of which reached London today finally disposes of these baseless charges.

"The medical report bears nine signatures and reads as follows:

After a careful examination of all the wounded and sick from the battleship Admiral graf Spee who were treated in the Military Hospital and in the Pasteur Hospital, the special technical commission appointed by the Director-General of the Uruguayan Army Medical Corps declares it has found not the slightest sign of symptoms which could give rise to the suspicion that they had been effected by war gases.'" the Admiralty communique stated in conclusion.—Havas.

New Badge for Airgunners

SPECIAL TO THE "N.C.D.N."

London, Jan. 10.

As recognition of the importance of the airgunner's part in aerial warfare, a new badge has been approved for wear by officers and men who are qualified as airgunners. The badge, which is reminiscent of an observer's "wing," consists of the initials AG within a laurel wreath with single outspread wing.—Reuter.

Riga Reports German Aid for Red Army

Riga, Jan. 9.

A German military mission of some twenty picked men, officers of the Reichswehr, is now in Moscow, advising the Soviet Government on reorganization of the Red Army, it was reported here today.—Havas.

Paris Also Reports Mission

Paris, Jan. 9.

With the ultimate object of thoroughly reorganizing the vaunted Red Army, now held up in Finland, the German Government has sent a military mission to Moscow, reports reaching Paris today asserted.

Defeat inflicted on the Reds in Finland showed the German High Command that the Red Army has many deficiencies, particularly in its officer ranks. Reports alleged that the Kremlin even asked for German technical aid to reverse the unfavourable results of the Finnish campaign to date.

While success in Finland appears to be the first goal of the German reorganization of Russian forces, eventually the German mission is to carry out a much more sweeping reshuffle of the Red Army's executive personnel and equipment. Advice, too, will be given the Red military leaders, reports declared, leading French political quarters to believe that German-Soviet collusion is extending into the military sphere, although talk of an outright alliance is still premature.—Havas.

Nazis Capture British Officer at Front

Amsterdam, Jan. 10.

The official German news agency claims that the Germans yesterday captured the first British officer to fall into their hands on the Western Front. The officer, who was wounded, is said to have died later of his injuries in hospital. The agency says he was left behind after a reconnaissance by British troops.

The German claim is confirmed by Reuter's special correspondent with the British Expeditionary Forces in France, who reports that a young officer of an English county regiment in a sector of the Maginot Line front was missing yesterday. He adds that this is the first officer casualty suffered by the British Maginot force.—Reuter.

Two Bombs Dropped on Danish Islands

Copenhagen, Jan. 10.

Two bombs were dropped on the Danish Island of Romoe, off the Jutland coast near the German border at 1 a.m. yesterday by unidentified planes. One bomb fell harmlessly in the woods and another truck near a house, smashing windows.—United Press.

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The European War, Jan. 11.

Fierce Air Battle Over North Sea

Three Machines Shot Down ; Severe Attack On Sylt Reported ; Hindenburg Dam Hit

London, Jan. 11.

IN the course of reconnaissance yesterday, a formation of British aircraft, on the outward journey, encountered a number of long-range German fighters far out over the North Sea, and a running fight, lasting half an hour, followed. According to the Ministry of Air, one Messerschmitt 110 was seen to crash into the sea, and it is known that another was forced to land in Denmark. One British machine was lost, but the remainder, says the Air Ministry, "having beaten off the enemy, continued to the easterly limit of their reconnaissance and returned safely."

Additional details of the North Sea air-battle disclose that the twin-engined multi-gun Messerschmitts, Germany's latest and fastest fighters, diving with the advantage of the sun behind them, were unable to shake the British formation. The clash occurred some 200 miles from the English coast. British 'planes met the challenge of the faster machines by bringing the concentrated fire of several aircraft to bear on the diving German fighters. Even very heavy attacks from close range were successfully beaten off by the British, keeping "shoulder to shoulder" in tight formation.

One British 'plane was hit in the first attack and dropped astern. A second attack was immediately launched on this 'plane which was seen to fall into the set.

The score was evened up a few minutes later when a German fighter crashed into the sea, flinging a great column of spray. At least two other Messerschmitts were damaged but were not seen to crash. It is assumed that it was one of these which later made a forced landing in Denmark.

The action was finally broken off by the Germans and the British formation pressed the reconnaissance to a depth of a further 130 miles, although several British 'planes bore signs of the fierce combat in which they had participated.—Reuter.

Danish Property Damaged

SPECIAL TO THE "N.C.D.N."

London, Jan. 10.

It is reported from Denmark that damage was done to Danish property adjoining the frontier in the early hours of the morning.

Should it be established that British aircraft were responsible for the damage, the full situation will be made known to the Danish Government.—Reuter

Intense Air Raid on Sylt

Toender, Denmark, Jan. 11.

Heavy air acivity over Sylt Island was observed last night from Romoe Island, Denmark.

At 5 a.m. today three unidentified planes passed low over Konigsmark, Danish South Jutland. Residents in that district were reported to have been extremely nervous because of the nearness and intensity of the air activity over Sylt. A number of women were sent to hospital suffering from shock as a result of the air battle.

Several bombs struck the Hindenburg Dam on the Island of Sylt during a raid by Royal Air Force planes yesterday and Tuesday, eye witnesses at Esbjerg reported last night, although reports varied as to the actual number of hits on the dam.

Eyewitnesses of the air battle between German and British planes over Heligoland Bay said anti-aircraft fire could be plainly heard until 7 p.m. Tuesday night and heavy explosions, possibly from bombs, shook windows in Denmark. The firing was resumed yesterday morning.

Severe Damage

Some reports from the border said that severe damage, which apparently cut the Hindenburg dam completely at one point, could be seen from the Danish border.

Numerous planes were seen from the border and heavy cannonading could be heard from the south-west, in the direction of Heligoland and Sylt Island.

One German plane made a forced landing in Danish territory near Ballum, it was reported. Unconfirmed reports claimed the plane had been disabled in the dog fight and the pilot was arrested when his plane landed. United Press.

London, Jan. 11.

Reports published in London of continuous daylight raids on Sylt, an island situated north of the Frisian group, are stated early this morning to be without foundation.

Official quarters pointed out that the R.A.F. raid on the Sylt area, announced in last night's communique, took place in darkness.

Yesterday morning, bombs were dropped near Sylt Island, but the effectiveness of the raid could not definitely be ascertained.

Reports that the Hindenburg dam was bombed hitherto are not confirmed.—Reuter.

Heligoland Bay Bombed

London, Jan. 11.

The British Air Force bombed Germany's Heligoland Bay yesterday in reprisal against German machine gun and bombing attacks on British shipping during the last 48 hours, which sank at least seven ships and damaged 10 others.

The Air Ministry announced that before dawn yesterday Royal Air Force planes bombed the Island of Sylt, which is believed to be the main base for German mine-laying seaplanes. The Ministry said that one British plane was lost battling German planes. One German Messerschmitt was sent crashing into the sea and another landed in Denmark during the air battle, the Ministry claimed.

(Germans announced at Berlin that three of nine British bombers were shot down over Heligoland early yesterday afternoon).

Danish dispatches said at least 40 British and German planes were involved in the battles over Sylt Island during the entire day. Either British or German bombs fell in Danish territory near the battle area, it was said.

Reports indicated that the British attack centred over the Hindenburg Dam between German Jutland and the Island of Sylt. Rail traffic was suspended during the fighting, the reports said.—United Press.

Nazi 'Planes Downed

Paris, Jan. 11.

Two German aeroplanes were brought down within French lines yesterday, according to a military communique issued here today. Besides this, the communique adds, there was nothing to report during the night.—Reuter.

Air Alarm in France

Paris, Jan. 10.

A 40-minute air alarm was sounded in northwestern France today but, according to all reports, no enemy planes penetrated French territory.

The military communique meanwhile stated that artillery duels were staged across no-man's-land today and that patrols were active, particularly to the east and west of the Vosges Mountains.

There was also a resumption of aircraft operations, the General Staff communique asserted.—Havas.

Berlin Denies Raid

Berlin, Jan. 11.

German planes shot down three out of nine British aircraft attempting to raid Heligoland Bay yesterday afternoon, the official Nazi news organ DNB announced last night. There were no German losses, the agency said.

The agency denied knowledge of reported raids on the Island of Sylt, asserting that the Royal Air Force had not reached their objective. The agency also charged Britain with violation of the neutral rights of Denmark.— United Press.

Did Not Take Part

Copenhagen, Jan. 11.

The German 'plane forced down at Toendar yesterday evening is stated to be not connected with yesterday's air battle over the North Sea between a British squadron and German planes.—Reuter.

German Planes Attack Wide Areas

London, Jan. 11.

German planes today attacked the Firth of Forth and a number of cities along the Thames, in Kent and the east coast, including Newcastle and Cullercoats on the north east coast, but they failed to drop any bombs. it was officially announced.

All of the raiders were repulsed, Royal Air Force pursuit planes and chasers doing yeoman work in preventing the Germans from making deadly attacks.

The German planes attacked merchantmen off Norfolk, but R.A.F. fighters sighted them and chased them off. An unidentified ship, however, sank after an explosion off the east coast. A crowd watched the sinking ship from a hilltop.—United Press.

Finns Press Advantage on Salla Front

Skilled leadership and splendid courage gave the Finnish defenders their advantage on the Salla Front where the Russians are being constantly pressed and where it appears the invaders have been thrown back again and again with heavy losses. This map clarifies the frontier between the Soviets and Finland past which the Reds have not made much progress.

Two British Merchantmen Sunk

Passengers Machinegunned While Scrambling Into Lifeboats ; Master of Upminster Killed

London, Jan. 11.

TWO British ships, the Oakgrove (1,985 tons) and the Upminster (1,013 tons) were sunk as a result of German air attacks yesterday. The Northwood (1,146 tons) was also attacked. The Upminster foundered after a lifeboat had stood by for 17 hours. The casualties in the loss of the Oakgrove are not definitely known, but it is believed that twenty of the crew have been landed. The attack on the Upminster, which took place in the North Sea, is feared to have resulted in the death of the Master and two men. Ten survivors of the crew of thirteen were landed at a port on the east coast last night. Two of them were seriously injured. In describing the attack by two German aircraft, the Second Officer —one of the survivors—said "they swooped down and attacked us again and again, first with machineguns and then with bombs."

"We had no guns and no wireless," the officer added.

Other survivors told how they were machinegunned as they tried to scramble into their small boats, and again as they were rowing away.

"The planes," they declared, "swept our decks mercilessly as we ran for the boats."

The Northwood was attacked by two German bombers off the east coast. No less than 40 bombs, according to the crew, were aimed at the ship, but all went wide of their mark. Later, the vessel was swept with machinegun fire, but nobody was hit.

It is reported that one of the German machines was hit near the fuselage by the Northwood's Lewis gun, which caused both planes to make off.

It is now stated that the Danish ships Ivan Vondrup (2,369 tons) and Feddy (955 tons), previously reported sunk as a result of German air attacks, are still afloat, and they are expected to be brought into port.—Reuter.

German Attacks Denounced

SPECIAL TO THE "N.C.D.N."

London, Jan. 11.

Attacks by German aircraft on unarmed merchantmen and defenceless fishing-boats are denounced in authoritative quarters here.

Such methods of warfare, it is pointed out, "must make greater demands upon the conscience than the courage of the attackers, and it is hard to believe they can be anything but repugnant to the officers and men ordered to carry them out."

"Insistence on the presence of armed patrol craft, which so often features the communiques of the German High Command," it is added, "would suggest an unconvincing attempt to impart military flavour into an operation which suggests the calculated brutality and cowardice of a gunman, rather than the chivalry and courage of an airman."—Reuter.

Norwegian Ship Strikes Mine

Oslo, Jan. 11.

Part of the crew of the Norwegian steamer Manx (1,343 tons), which struck a mine yesterday, have been rescued, reports the master of another Norwegian vessel. Seven members of the Manx's crew are still missing.—Reuter.

Broke Her Back

SPECIAL TO THE "N.C.D.N."

London, Jan. 11.

The Union Castle liner Rothesay Castle (7,000 tons), which struck a reef off the west coast of Scotland on the night of January 4, has broken her back and is likely to sink. She carried no passengers.

The French steamer Montauban (4,191 tons) is feared to have met with the same disaster when she went aground off the north-east coast of Britain on Tuesday.

All the crew are safe. The captain and three men have remained aboard. A life-boat took off the remaining 39 seamen.—Reuter.

German Warships Waiting

New York, Jan. 11.

German warships have been reported cruising about the equator, presumably waiting to escort the German merchantmen ordered to leave Brazilian ports, according to the Rio de Janeiro correspondent of the "New York Times."

Seven of the German vessels which have received "ultimatum" are ready with cargoes of coffee, cotton, ore, tobacco and beef.—Reuter.

Artillery Elements Active On West Front

Paris, Jan. 11.

Both artillery and reconnaissance elements were active on the West Front yesterday, especially east and west of the Vosge River, a French War communique said last night

"Aerial activity was resumed," on both sides, the communique continued, and several small areas were reconnaissanced.

German patrols were particularly active in the sectors where it is believed British troops are stationed. The French said all German raids were repulsed.—United Press.

Canada Issuing First War Loan

London, Jan. 11.

The first Canadian war loan is being floated on Monday, according to reports reaching here from Ottawa. It will be purely domestic, and will include denominations as low as $50.

Meanwhile, Australia is said to be issuing in February £1, £5 and £10 war savings certificates purchasable at 10/4, £4 and £8 respectively. The certificates will mature in seven years. —Reuter.

Finns Clearing Own Territory

Helsinki, Jan. 11.

The Russian Red Army was thrown back onto Russian soil at four points along the eastern Finnish front yesterday, Finnish military reports said last night.

A large Soviet force also was said to have surrendered on the Salla front as they faced the threat of annihilation similar to the fate of the 163rd and 44th Russian divisions, which were surrounded and decimated last week.

The Finnish High Command said that 200 Russians had been killed and forty had been captured in a battle in which a Russian battalion attempted to attack the Finnish lines between Lake Ladoga and Suomussalmi. The Russian attack was repulsed, the communique said.

Meanwhile, unconfirmed Finnish reports said that 14,000 Russians had been killed and $10,000,000 worth of material captured when the 44th Russian division was routed.—United Press.

Russians Concentrating Forces

London, Jan. 11.

New onslaughts on Finnish positions are expected shortly following the concentration by the Russians of "astonishingly large masses of troops" on the Salla and Lake Kianta fronts, according to Finnish circles in London.

The Russians are said to be continuing to strengthen their defences.

On the Suomussalmi front, Finnish troops are stated to have reached the frontier and cleared the area of Russian troops.—Reuter.

Italian Volunteers Arrive

Helsinki, Jan. 11.

Italian volunteers belonging to the famous Garibaldi Legion arrived in Finland for the first time today to take up arms against the Soviet Russians.—Havas.

U.S. Makes Loan to Norway

Washington, Jan. 11.

The Reconstruction Finance Corporation and the Import Export Bank have established credits for Norway in the United States up to $10,000,000, an official announcement disclosed here today.—United Press.

More Britons Called To Colours

London, Jan. 11.

The calling-up of the first batch of the 22-23 age group has begun. These men were registered in December, when it was stated that their calling-up would begin early in the new year. It will be some weeks before the calling-up of this new age group will be complete. About 240,000 men are affected. It is unlikely that any group from 23 years to 27 years of age will be called upon to be registered before March at the earliest.—Reuter.

6,000 Tons of Goods for Germany Detained

SPECIAL TO THE "N.C.D.N."

London, Jan. 11.

Six thousand two hundred tons of contraband destined for Germany were detained during the week ending January 6, it was learned today.

This brings the total of contraband detained since the war began to 544,000 tons.

It is officially announced that in the week ending January 6, the system by which advance copies of cargo manifests received consideration before the ship's arrival resulted in 43 cases being so dealt with by the Contraband Committee.

In 31 cases, the ships concerned were released, subject to formal checking of the original manifests on arrival at control bases.—Reuter.

Italy Ready Help to Hungary

London, Jan. 11.

Italy has agreed to send military aid to Hungary in the event of her being threatened by a Soviet invasion, according to a Rome radio broadcast to New York picked up here.

Hungary, it adds, has agreed to shelve, for the present, her claims on Transylvania in view of the more immediate concern of the Bolshevik menace, but this menace is not acute as long as Finland holds out.

Transylvania was a former principality of Hungary, and passed to Rumania after the Great War.—Reuter.

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FOREIGN TELEGRAMS (continued)

The European War, Jan. 12.

British Fly Over Germany

Nazi Raiders Driven Off Scotland, Thames Mouth; Spitfires Save Freighters from German Bomber

SPECIAL TO THE "N.C.D.N."

London, Jan. 12.

SUCCESSFUL reconnaissance flights were carried out by R.A.F. aircraft last night over west and north-west Germany, according to an Air Ministry communique. There were also patrols over German seaplane bases at Heligoland Bight, the statement adds.

In bright winter sunshine, German aircraft yesterday made the most extensive visitation to Britain since the beginning of the war. They passed the coast at six points, from Scotland to south-east England. There are no reports of bombs having been dropped anywhere, but crowds at many places watched shrapnel from a heavy bombardment by British anti-aircraft batteries burst high in the air, and in several places saw British fighters ascend to pursue the raiders to sea.

Near Newcastle, one house was slightly damaged by anti-aircraft shell splinters, when an intensive fire was kept up for several minutes against some German aircraft which attempted to cross the coast. Eventually, the raiders were headed off by British fighters and driven out to sea.

While some people in the streets of one coastal city hurried for shelter, others left their houses to watch the engagement. Visibility was poor, but black puffs of the exploding shells could be seen against the sky.

Reports of aerial activity near the British coast were again received today. A German plane was chased out to sea over the Yorkshire coast. As planes passed over cliffs on the coast, machine-gun fire was heard and British aircraft swooped as if to make a "kill." The planes passed out of sight to the north, and later the British machines returned.

Heinkel Chased Away

R.A.F. bombers later appeared over the coast and made out to sea. Gunfire was heard in the distance and many planes were seen flying over coastal towns in the area. A plane, believed to have been a Heinkel, over the Suffolk coast flew away when anti-aircraft guns opened fire. Later in the day anti-aircraft batteries on both the Kent and Essex sides of the Thames estuary opened fire when a plane, reported to have been a German machine, passed over, flying at a great height. The aircraft disappeared over the Essex coast. During the morning people in Central London heard gunfire coming from the direction of the Thames Estuary.

An Air Ministry communique announces: "Shortly after 11 a.m. an enemy aircraft crossed the east coast and was later observed over the Thames estuary, where anti-aircraft guns opened fire. Fighter patrols were sent up and drove the enemy out to sea."

Spitfires Save Ships

Three British fighters saved three British cargo ships from damage by a German air raider in the North Sea yesterday, according to an Air Force communique. After a running fight, the raider is said to have been last seen with smoke pouring from one wing, and his port engine disabled.

The three pilots, all sergeants, were on patrol off the Norfolk coast in their Spitfire fighters, when they sighted a Heinkel bomber circling 50 feet above the ships. As soon as the raider spotted the fighters, he is stated to have hurriedly dropped a salvo of bombs, missing the ships, and fled eastward.

The Spitfire, diving thousands of feet, chased the Heinkel for 40 miles out to sea. Each fighter in turn fired bursts as the Heinkel skimmed almost at sea level. One British pilot, swerving round from the attack, is reported to have seen the bullets of another Spitfire hitting the Heinkel. When the raider was last seen, the propellor of the port engine was said to be turning slowly, and smoke was said to be coming from the port wing.

Trawlers Machine-Gunned

Three more British trawlers were attacked yesterday by German planes, but they all managed to escape unharmed. Two of the boats, the Burnbanks and the Dandolo, were attacked off the north-east coast of Scotland. They were bombed and machine-gunned by two German machines, but none of the crews were hit, and both trawlers returned to port safely. The third boat to be attacked was the Holyrood.

According to the coxswain of the lifeboat which brought ashore the survivors of the mined Italian steamer Traviata, a German plane bombed and machinegunned the trawler. Two bombs struck the rail and fell into the sea, and two others missed the ship altogether. The captain of the trawler is said to have been wounded.

Clash with Nazis Described

While on patrol over the North Sea on Wednesday, a single aircraft of the R.A.F. Coastal Command sighted a big, twin-engined, finely streamlined German monoplane which the British aircraft immediately pursued and overhauled. When close enough, it opened fire with the front-gun. The German manœuvred as if trying to escape, but received more punishment as the Britain pilot pressed home an attack from below.

During a second encounter, the German bomber's rear-gun was silenced, and her retractible undercarriage, which was drawn up in flying position, was seen to be dropping down. The impact of bullets apparantly smashed the release mechanism.

While the front-gunner of the British aircraft was reloading, the German dived almost to the surface of the sea, and the British pilot dropped two heavy bombs which exploded behind the "enemy's" tail. The German climbed sharply to 400 feet as if to evade a repetition of this kind of attack. As he passed the British machine, its side-guns fired continuously. It appeared that one of the enemy's guns jammed and the hydraulic mechanism of the turret was so deranged by accurate fire that it was impossible to train the only other serviceable gun. Realizing his hopeless position, the German pilot avoided a forther combat and vanished into the clouds.

Messerschmitts Cautious

The Messerschmitts, though armed with cannon as well as machine-guns, appeared anxious to keep out of range of British gunners in Wednesday's big air battle over the North Sea between a British formation and a number of long-range German fighters, according to further details of the engagement now available.

"I thought there were only two of them," said one British air-gunner. "They attacked alternately. Then we saw others waiting above. Soon things began to get busy. We came down from a height of 5,000 feet almost to sea level, so that they were unable to get beneath us.

"The fighters attacked in a shallow dive, firing their cannon and machine-gun from a distance of 600 yards but seldom closing nearer than 200 yards. They seemed anxious to get out of range of our guns, and usually turned when we opened fire.

"As they climbed, they showed us their bellies. Our tracers seemed to be going straight into them. Some must have proceeded home heavier than they set out. Some of our chaps fired 500 rounds during the action. They did not all miss. The engagement continued for some 25 minutes, each fighter making eight to ten attacks."—Reuter.

Hindenburg Dam Hit Once

Copenhagen, Jan. 12.

Two eye-witnesses of Wednesday's air battle over the North Sea between a R. A. F. reconnaissance patrol and German Messerschmitts say they saw a foreign plane aim three bombs at the Hindenburg dam. They believe one bomb hit the dam.—Reuter.

German Bomber Forced to Land

Copenhagen, Jan. 12.

A big German bomber made a forced landing at Saerbaek, in South Jutland, today. The crew immediately set fire to the plane before surrendering to the authorities.—Reuter.

Iceberg Stops Nazi Ship On Run for Home

Reykjavik, Iceland, Jan. 12.

On the eve of entering the "danger" zone, the German steamer Bahia Blanca (8,558 tons), which sailed from Rio de Janeiro with a cargo of coffee and minerals just before Christmas in an attempt to run the Allied blockade, reached her journey's end yesterday, when she struck an iceberg 60 miles off Iceland.

Sixty-two members of the crew were rescued by an Icelandic trawler, and are being brought here.

Immediately after the master, Captain Sohst, left the Bahia Blanca to board the trawler, the lights of the German steamer went out, indicating that she sank. This was confirmed by an Icelandic patrol boat which searched the area, but could find no trace of the Bahia Blanca.

Shortly after her departure from South America, the Bahia Blanca was reported captured by a British cruiser, but the report was never confirmed in London.—Reuter.

Nazi Ship Still Detained

SPECIAL TO THE "N.C.D.N."

Santos, Brazil, Jan. 12.

The German motor-vessel Windhuk (16,662 tons), of the Woermann Line, which has been detained here on the request of Messrs. Dreyfus & Co., of London, will unload 274 bales of British-owned wool, which were embarked at Port Elizabeth before the war.

At the same time, the South African Mining Company has sent documents for obtaining the release of 1,500 tons of chrome ore carried by the steamer.

Thirty-five passengers who had been aboard the Windhuk since the outbreak of war, have been disembarked and taken to Sao Paulo.

The Windhuk is trying to reach Germany.—Reuter.

H.M.S. Achilles Action Denied

SPECIAL TO THE "N.C.D.N."

London, Jan. 12.

Reports the cruiser Achilles—one of the ships which took part in the engagement with the German pocket-battleship Admiral Graf Spee—had been in action against Nazi warships off the Brazilian coast were denied today by the Admiralty. Nothing is known of any German warships in that neighbourhood, it is officially stated.

The Italian 5,000-ton liner Traviata struck a mine off the east coast of England yesterday and sank. Crowds on land saw the vessel burst into flames, but the crew of 60 were rescued by British lifeboats.

The London tanker El Oso (7,267 tons) has blown up, apparently by a German mine off the west coast of England. Out of a crew of 38, three are believed to have been drowned, and eight others seriously injured.

Tanker Losses 68,000 Tons

It is officially stated that the number of British tankers in commission is larger than at the outbreak of war, when the tonnage was 3,279,000. The total of British tanker losses up to January 7 amounted to 68,000 tons, or 2.07 per cent. of the whole, and this deficiency has been more than made good by new building, acquisition, and in other ways. The same is true of the French tanker fleet.

No Interference with Petrol Supply

The Germans have recently published figures designed to show that British tanker losses are 4.51 per cent. of the total fleet. This is entirely false, according to authoritative quarters in London, which add that the Germans can draw little consolation from the true facts, which prove conclusively that German activities have not interfered with normal supplies of petrol and oil to the United Kingdom.—Reuter.

Allies Seize More Contraband

Paris, Jan. 11.

The first week of the new year saw the Allied contraband control system seize 18,200 tons of goods bound for the Reich. The French Navy seized 12,000 tons of this total amount. Since the beginning of the war, statistics showed, the French Navy detained 233 ships, seizing 439,000 tons of contraband. The British Navy in the same space of time seized 544,000 tons of contraband.—Havas.

H.M.S. Ajax Cheered in Rio

Rio de Janeiro, Jan. 12.

A large crowd thronged the Rio docks and cheered warmly when the British cruiser Ajax, flying the flag of Rear-Admiral Sir Henry Harwood, victor over the German pocket-battleship Graf Spee, entered harbour yesterday for the first time since the battle.

Mobbed by newspapermen, Sir Henry gave a vivid description of the fight. A ball was given last night for the crew by the British colony.—Reuter.

Finns Conquer Red Troops

Russian Transportation Disrupted Throughout U.S.S.R. by Withdrawals for Finnish War

Helsinki, Jan. 12.

SOVIET forces recently defeated in engagements in north-eastern Finland, consisted of some of the crack units of the Red forces, being well-equipped and better adapting themselves to the geographic conditions of the terrain, the Havas correspondent here learned today. Before the freezing up of the Gulf of Finland, the Soviet navy tried in vain to shell Finnish coastal batteries. Since climatic conditions prevailing at present do not permit naval movements, Soviet bombers are persistently trying to bomb these defences but have obtained no results so far.

Because most of the Soviet forces which attacked Finland were brought to their respective positions some time prior to the outbreak of hostilities, Russia has been able, to some extent, to hide transportation difficulties she is now facing. Only a comparatively small number of reinforcements have been brought from the interior of Russia since the war began. Soviet prisoners say a large number of railway accidents, which recently occurred, clearly illustrate Soviet Russia's difficulties. In the past two weeks, no less than ten serious railway accidents occurred on the line between Leningrad and the Karelian Isthmus, not counting minor collisions. The delays played havoc with the scheduled arrivals of supplies.

Military necessities on the Finnish front, and the question of supplying Leningrad had serious repercussions on Russia's rolling stock and the Soviets were obliged to rush cars to the north from other parts of Russia. All transportation facilities throughout the country have thus suffered considerably.—Havas.

Soviet "Purge" Continues

Stockholm, Jan. 12.

The number of arrests and executions are rapidly increasing in Russia as a result of the military situation on the Finnish front, according to information reaching the newspaper "Stockholms Tidningen." No less than 46 high officials of the Commissariat of Aviation were suspended, while the authorities in Moscow are seeking the reason for the deplorable state of the military situation on the Finnish front and the low morale of the Soviet troops.

After the Russian defeat in Suomosalmi, a large number of Soviet prisoners declined to return to Russia. Soviet Commissars are being assassinated by revolting Soviet troops.—Havas.

Italians Deny Arrival

Helsinki, Jan. 12.

Italian circles state there is no truth in reports that volunteers known as the Garibaldian Legion arrived here from Italy yesterday to fight for Finland.

There is reason to believe that yet another Russian force is in a tight corner in northern Finland. Finnish ski patrols have cut the main road from Salla and Kemijaervi to Salmijaervi at several places, thus marooning a force of about 18,000 Russians, who are believed to be some 20 miles in front of a point which has been cut. The Russians would appear to be in an unenviable position, with the Finns advancing upon them from both flanks and down the centre.

It is reported that the Russians are rushing up between 35,000 and 40,000 reinforcements from the railhead at Kanzalaksk.—Reuter.

Danish Prince Volunteers

Stockholm, Jan. 12.

It is understood that Prince Aage, cousin of King Christian of Denmark, has written offering his services as a soldier for Finland. The Prince, now a lieutenant in the Danish army, was formerly a Major in the French Foreign Legion. He is 52 years of age.—Reuter.

Britain Protests to United States

Washington, Jan. 12.

Great Britain has lodged a protest on behalf of the London Chamber of Shipping to the effect that the "Neutrality Act discriminates against British ships by requiring the transfer of title of goods carried in British or other belligerent ships, but not in neutral ships, to ports outside the combat zone."—Reuter.

M. Paderewski Will Serve Poland Again

Paris, Jan. 12.

M. Ignace Paderewski, the renowned pianist and former Premier of Poland, who was recently appointed first member of the Polish Council of State, has arrived at Angers, the headquarters of the Polish Government. Eighty years of age, M. Paderewski was politically active in the cause of Poland during the Great War, and was first Prime Minister and Minister of Foreign Affairs of the Polish Government in 1919-20.—Reuter.

Intense Air Activity On Western Front

Paris, Jan. 12.

A fresh outburst of air activity occurred on the Western Front yesterday, where severely cold and dry weather brought excellent visibility.

Planes took to the air in large numbers on both sides. They were engaged principally in reconnoitring and photographic missions over the front, with fighter aircraft giving the necessary protection.

The Germans also made several long-distance reconnaissance flights over northern and eastern France as well as day and night flights towards the east coast of Britain. It is believed that the object of these night flights was to lay magnetic mines.

"Allowing for the forces necessary to maintain guard in Bohemia and Poland, I am convinced that in the spring Germany will not have at her disposal more divisions than the Allies," says General Duval, writing today in the newspaper "Le Journal." The Maginot Line, General Duval adds, is no longer a single line, but a double or even triple defence.

M. Charles Morice, writing in "Le Petit Parisien," says: "Never has confidence in the Maginot Line been greater than it is today. Although everything has been ready for an emergency for a long time, work continues actively, and thanks to the ingenuity of all concerned, perfection has almost been reached."

Last night's French war communique reports increased artillery activity on either side and also a fair amount of activity on the part of both air forces. It claims that a German reconnoitring place was brought down over French lines.—Reuter.

German Communique

Berlin, Jan. 12.

A French company staged a strong surprise attack that broke into German lines near Kreuzberg yesterday, the official news agency, D.N.B., admitted last night. The attack was repulsed, and a number of French were killed and wounded, the agency said. D.N.B. reported several air battles took place yesterday on the West Front during which two Allied planes and one German plane were shot down.—United Press.

Striking Address by M. Herriot

Paris, Jan. 11.

On the occasion of his re-election to the Presidency of the Chamber of Deputies, M. Edouard Herriot today delivered a striking address in which he stressed the causes which compelled France to take up arms.

"France and Great Britain are defending, as President Roosevelt has already stated on January 3, freedom, the rights of conscience, moral right, and democracy, the best form of Government yet created by humanity'," he declared.

Referring to Finland's gallant defence against the Soviet regime "which tries to crush the weak and kill off the wounded", M. Herriot stressed that Finland's victory "represents the triumph of mind over matter, of human values over brutality."

"Our duty and the interests of our cause compel us to give Finland all the assistance in our power," he said.—Havas.

THE Queen has presented the Dominion archives with General Wolfe's last letter to his mother, written a few days before the battle of Quebec, in which, 180 years ago, he won Canada for Britain. The letter, it is stated, was written on August 31, 1759.

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Giant German Liner Scuttled Off U.S. Coast

The German liner Columbus, to escape capture by the British fleet, was scuttled about 400 miles off Cape May, New Jersey, and 579 members of the crew were picked up by the U.S.S. Tuscaloosa and landed in New York. Many of them have since been placed on Japanese vessels and will return home via Japan. This picture show the scuttling of the vessel whose sea valves were opened and, in addition, fires were started on board to ensure her destruction.

The European War, Jan. 13.

More Reconnaissance Flights

Raider Downed Over Scotland ; Nazis Machine-Gun and Bomb Trawlers

SPECIAL TO THE "N.C.D.N."

London, Jan. 13.

ONE German aircraft was engaged and shot down by an R.A.F. patrol over the north-east coast of Scotland this morning, it is revealed in an Air Ministry communique. It is also announced the R.A.F. made extensive reconnaissance flights last night over Austria, Bohemia, eastern and north-west Germany and Heligoland Bight. All machines taking part in the flights returned safely, it is stated.

A row of lights in Rantum Bay, which was doubtless a flare path to guide German mine-laying aircraft, was observed by one pilot during British air patrols over German seaplane bases on Thursday night, it was revealed today. Six bombs were dropped, and the lights were immediately extinguished. German ground defences opened fire, and many search-lights worked in co-operation with the guns. One bomber was momentarily held by a cluster of searchlights over Sylt island, but all aircraft are said to have returned safely.

Between them, every two aircraft which go on security patrols cover an equivalent distance of an Atlantic crossing from Ireland to Newfoundland—1,700 miles. In addition to patrols, several aircraft flew over Hamburg, Frankfurt, Bremen and the Ruhr district on Thursday night, "obtaining much useful information," according to the Air Ministry.

During their attacks on shipping on the North Sea today, German aircraft tried to bomb a lightship. This, however, was frustrated by the swift appearance of British fighter machines which pursued the raiders. The skipper of the Aberdeen trawler Flavia (202 tons) stated on his return to port that a German airman suddenly emerged from a bank of fog. The warplane machine-gunned and bombed the vessel from a height of only 50 feet. The bombs all missed and no one was injured. The effect of the attack was such that a curtain of water was thrown up, and the engine-room half filled with water, while the pipes and compass were broken, he added.

Trawlers Machine-Gunned

The crew of nine of the Grimsby trawler Croxton were landed on an east coast port yesterday after having been adrift in a small boat for 24 hours following the bombing and machine-gunning of the trawler by German aircraft. The trawler sank in the North Sea on Thursday morning.

Details of German air attacks on the British merchantman Jevington Court (4,544 tons) on Tuesday and on the fishing trawler Star of Scotland were given by survivors today. About 11 o'clock on the morning of January 9, those on the bridge of the Jevington Court heard the sound of aircraft engines. One Dornier 17 appeared. It was flying very low, and circled round the steamer to make sure she was defenceless. It circled again, and as it passed close over the steamer it opened fire with a machine-gun, the bullets of which tore up the deck planking, splintered the sides of the wheelhouse, and shattered the skylights and hatches.

Bombs Miss Ship

One bullet went through the engine-room skylight and put the dynamo out of action. Another glanced off the bridge rail and carved a long groove in a mahogany chart table. The machine circled again, and this time it also dropped a salvo of four bombs. They fell wide because the Jevington Court was zigzagging. The aircraft returned to the attack with machine-guns and bombs. Bombs fell nearer, and their explosion shook the ship, but did no damage. In the next attack the aircraft, still raking the deck with machine-gun fire, dropped a further two bombs.

Men on the upper deck, trying to dodge the hail of machine-gun bullets, saw these bombs falling, and were certain they would hit the ship, but the ship was under full helm and the bombs missed by six feet. The explosion of them, however, seemed to lift the ship. Everything movable was thrown about, and even compasses were lifted out of their gimbals and thrown out of binnacles. The safety valves of boilers were lifted off their seatings, and the concussion sent up clouds of coal dust through bunker hatches.

The aircraft apparently thought the bombs had hit their mark, and that the ship was sinking. It disappeared to eastward, flying fast and low.

Ship Continues Journey

The crew of the Jevington Court gathered themselves together, shook the coal dust out of their eyes, discovered that their ship was virtually undamaged, and continued their voyage. By an astonishing stroke of luck, there were no casualties in the Jevington Court but the fishing trawler Star of Scotland was not so fortunate. That trawler was hauling her trawl off the Shetland islands when a German bomber appeared and machine-gunned her crew. The crew ran for what shelter they could find. The aircraft circled and returned to the attack, dropping three bombs. One of these hit and demolished the wheelhouse, wrecking the steering gear, killing two of the crew and wounding two.

The crew then tried to abandon ship. They succeeded in launching a small boat under fire, and three men jumped into it, whereupon the aircraft machine-gunned the small boat, sinking it and leaving the three men struggling in the water.

The aircraft then made two further bombing attacks on the trawler without securing further hits, and flew off eastward. The trawler succeeded in picking up the three men clinging to the wreckage of the small boat. Then the jury steering gear was rigged and the Star of Scotland, with her wheelhouse completely smashed, with a gaping hole in her fore deck, and with her funnel and upper works riddled by machine-gun bullets, was brought to port with her dead and wounded.—Reuter.

Berlin Statement

Berlin, Jan 13.

One of eight British bombers was shot down when the planes attacked destroyers in Heligoland Bay, it is claimed in a German High Command communique issued here. Another of the aircraft is said to have been damaged and the remaining six driven off by anti-aircraft fire from the destroyers. The raid, it is stated, was "unsuccessful." The communique mentions no date.—Reuter.

Mine Destroys Trawler

London, Jan. 13.

The trawler Lucida, from Hull, struck a mine off the north-east coast yesterday and its entire crew of 14 men was killed. Witnesses on another trawler said the Lucida was blown to fragments and disappeared under water in a few seconds.

"The crew didn't have a chance," they said. "She just vanished into air."

Two German Heinkel bombers attacked the British 932-ton steamship Pitwines nine miles off the Yorkshire coast on Thursday night, it was disclosed last night. Observers ashore heard 50 explosions during the battle. Two coastal lifeboats answered the Pitwines' S.O.S. and extinguished the fire which the Heinkels' bombs had started on the vessel. The ship was then towed ashore.—United Press.

British Plane Attacked

London, Jan. 13.

While on a reconnaissance flight over Germany near the Luxemburg frontier, a British plane was attacked by four German machines at an altitude of about 18,000 feet the Air Ministry announced today.

The plane managed to return safely to its base the Ministry added, and the German report that it was brought down in flames is erroneous. Another German allegation that British planes were damaged in an attack on German destroyers was also termed false by the Ministry.—Havas.

Reds Striving to Rescue Big Force at Salla

Helsinki, Jan. 13.

Surrounded by advancing Finns, the Russian force of 18,000 men trapped in the Salla region, is understood to be making a desperate stand. The Russian High Command is rushing help with all possible speed to the beleaguered troops from several areas. It was reported last evening that some reinforcements had already arrived on the scene from Kantalahti.

Finnish military circles believe the Soviet troops cut to pieces in the Suomussalmi sector were part of the Ogpu forces which were so impressive at Moscow military reviews. They were particularly well equipped, and had a better knowledge of the ground than the troops previously employed.

Soviet planes yesterday raided Lahti and bombed the long-wave radio station there after which Moscow started to broadcast in Finnish on the Lahti wave-length. A large number of Russian planes also raided the port of Abo, the town of Riihimaki and several other points on the south-west coast, their main objective apparently being the railway lines.

Communications Cut

Telephone wires were cut, and communications with Sweden were interrupted.

The alarm was sounded at Helsinki at 2.10 p.m., but no planes appeared and the all-clear was sounded at 3.45. The tedium of the long wait was relieved by a snowball fight between Finnish military police and British and American journalists from neighbouring trenches.

Judging from the statements of Russian prisoners, Russia is experiencing serious transport difficulties. Supplies for both the front and Leningrad are being held up. During the past two weeks, there have been ten railway accidents between Leningrad and the Karelian isthmus, it it reported. Only three of the many lines to Leningrad are believed to be usable.—Reuter.

Finnish Air-Raid Casualties

London, Jan. 13.

Finnish casualties in Russian air raids from the beginning of the war up to January 9 totalled 234 killed, 269 seriously wounded, and 210 slightly wounded, according to an announcement by the Finnish Legation in London. In Helsinki and other defended towns, it is added, anti-aircraft measures are proving very effective, thanks mainly to first-class Swedish anti-aircraft guns.—Reuter.

Three Red Planes Downed

Stockholm, Jan. 13.

Three Russian planes were shot down by Finnish anti-aircraft guns during yesterday's air raid on Aabo, according to telephonic dispatches from Aabo today. No one was killed but many were wounded. One woman was seriously injured.

The Russian bombs, many incendiary, fell in the centre of the city where several houses were damaged and two buildings burned to the ground, the dispatches revealed. The Russian raiders bombed many Finnish towns, including Salo, Aabo, Lahai, Hangoe, Raumo, Bjerneborg, Hiagve and Riihimaeki, it was reported.—United Press.

Threat of German Attack

Helsinki, Jan. 13.

Russian propaganda loudspeakers erected along the Finnish along the Karelian Isthmus front yesterday warned Finnish forces that unless they withdrew within 48 hours "the Germans will come." The exact significance of the Russian threat was not known here.

Southern Finland was heavily bombed by Russian planes yesterday, including Aabo, where 30 planes attacked the city. The main Finnish radio was put out of commission at Lahti when that city was bombed yesterday. Lahti has been the target for Russian bombers for a long time because of the effectiveness of its Russian language broadcasts. Many Soviet citizens were arrested at Leningrad charged with listening to the Lahti radio station.

Helsinki was cut off from the outside world all yesterday afternoon when an air raid alarm was in effect. No bombs were dropped within the city, although heavy explosions were heard from a distance.—United Press.

Big Fight at Salla

London, Jan. 1.

The Finnish Legation here yesterday confirmed reports that major activities are being carried on along the Salla Front in Finland and that heavy fighting is going on there. No further details were given.—United Press.

Moscow Communique

Moscow, Jan. 13.

Russian patrols carried out scouting activities in the direction of Ukhta and Repola yesterday, according to a Russian war communique issued last night. Infantry units clashed near Petrozavodsk, the communique stated. On the Karelian Isthmus scouting activity was not intensive and artillery units were not very active, it said. Aerial units reconnoitered, the communique said.

High official quarters here today emphatically denied Danish reports of a wholesale purge of Red Army leaders on the Finnish front. The Oslo reports alleged 105 high Soviet officers were recalled from the front to stand trial and that several had already been executed. The reports were called "malicious and provocative fabrications without the slightest foundation," Russian officials said. They said there had been no changes in the personnel of the Red Army on the Finnish front.—United Press.

Bitter Cold Halts West Front Action

Paris, Jan. 13.

The weather on the Western Front remains bitterly cold and conditions are being aggravated by strong winds. Air activity on either side has consequently been less than previous days, but reconnaissance machines have made numerous flights over the line, escorted by fighters.

In one aerial encounter, a German reconnoitring machine was brought down about 20 miles behind the French lines.

German long-distance reconnoitring flights have led to two air-raids on Arles, in north north-east France.

Owing to low temperatures, patrols are less active in no-man's-land, but to offset this the Germans have engaged in some artillery fire west and east of the Vosges. The fire, however, has not been heavy, and seemed to have no particular object.

A military communique issued here today says there has been nothing of importance to report on the Western Front during the past 24 hours.

An earlier communique reports that there was local activity by reconnaissance units yesterday.—Reuter.

First British Casualties

London, Jan. 13.

The first British soldiers wounded in action on the Western Front are receiving treatment in miltary hospitals in Britain, it was learned last night. The patients were engaged in raids along the Maginot Line when they were injured by grenade splinters, it was understood.—United Press.

French Down Nazi Planes

Somewhere in France, Jan. 13.

The superiority of French airmen over the German, both in training and equipment, was affirmed recently when a vastly larger force of Nazi planes were routed by a French group of pursuit fliers. The battle took place between twelve Messerschmidts and four French craft which showed great skill in breaking up the German formation and downing three of the enemy's number. All French planes returned safely to their base.—Havas.

Allied Espionage Brings Results

London, Jan. 11.

In one of the greatest espionage feats of the present war, German plans for a new crack high-speed Messerschmidt fighting plane were smuggled out of the drawing offices of the Messerschmidt factory near Augsburg, Bavaria, and have been delivered into the hands of the British authorities, the "Daily Express" revealed today.

"Messerschmidt plans known to only a handful of experts in Germany can now be revealed," the paper declared, adding:

"The plans disclose three facts that may well influence German tactics in the future.

"First, the planes would be capable of convoying German bombers to any part of Britain and back, and using a speed of 365 miles an hour to defend them.

"Secondly, they possess twin cannons which would enable them to attack bombers while remaining out of range of the bomber's defensive machine-guns.

"The third point, however, reveals them to be so poor in manœuvrability and weak in gun-power as to be easy prey for the Hurricanes or Spitfires.

"The Messerschmidt 110 has a crew of two. The pilot can fire automatically the twin cannons and twin machine-guns through the propeller of the plane. The gunner with two more machine-guns, is just behind the pilot.

"Twin Daimler-Benz are twelve-cylindered, and develop 1150 horse-power. The petrol tanks which are bullet and crash-proof, hold 400 gallons of fuel.

"At its top speed of 365 miles an hour the Messerschmidt will travel 820 miles, and is apparently intended as a long-distance escort fighter.

"The fuselage is too streamlined to allow bombs to be carried inside or underneath the wings," the "Daily Express" report concluded.—Havas.

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FOREIGN TELEGRAMS (continued)

The European War, Jan. 14.

Red Reinforcements Rally

Helsinki Heavily Bombed; Soviet Raiders Cover Wide Area; Salla Fighting Resumes

Copenhagen, Jan. 14.

REORGANIZED and reinforced Russian forces yesterday threatened the Finnish troops on three fronts, while the Finns were trying to surround 40,000 Red troops on the Salla sector, Finnish dispatches from the front said last night. A Finnish communique issued at Helsinki said the Russians were threatening Finnish positions as far north as Petsamo, in the Salla sector, and on the south-eastern front, where the Finns repulsed a Russian attack at Aittajoki.

The most important Red action, according to the reports, was in the Salla sector, where fighting was reported 35 miles west of Salla and only twelve miles from the important town of Kemijaervi. Finnish positions were threatened at that point, it was said.

The reports indicated that the Russians received reinforcements after repairing the Leningrad-Murmansk railway and were much farther inside Finland on the north-central front than was previously indicated.

There has still been no official confirmation of reports that 18,000 Russian troops have been surrounded at Salla. Reports indicated that warfare on the Salla front was becoming static, with the question of Russian provisions probably the decisive issue. The Russians are dropping provisions from planes, the reports said. The reports said the Finns are fortifying the positions they have occupied at Suomussalmi.

The "National Tidende" reported that Finnish ski troops were fighting Russian forces in the Salla sector.

Finns Penetrate into Russia

Despite the fact that Thursday night was five degrees below freezing, Friday was almost like Spring. The Russians apparently profited by similar weather on the Petsamo front, the newspaper said, for they attempted an offensive there. The journal did not state the strength of the offensive.

On the Kuhmo front in central Finland, the newspaper said, the Finns penetrated as far as fifteen kilometres inside Russia, reaching Ruokhalajaervi (in a north-easterly direction from the Finnish town of Lieksa).

M. Antoine Moler, correspondent for the "Politikens" on the Suomussalmi front, claimed yesterday that he crossed the Russian frontier on Friday. It was believed that he was the first correspondent to do so since the war. He said he accompanied a caravan of Finn cars engaged in photographing bodies, abandoned war materials, and other things left behind by the retreating Russians. He said they were driving along the road when they suddenly heard shooting. The car stopped and the driver consulted his map. He could not find the road on the map and turned round and started back. Suddenly, a group of Russian soldiers appeared and asked for a lift. The driver immediately pushed his accelerator to the floor and the car shot forward. The Finns emptied their revolvers at the Russians. M. Moler said he dropped to the floor of the car as they speeded back toward Finland. "And I remained there until the photographers told me we were back in Finland," the correspondent declared.—United Press.

Toll of Raids on Helsinki

Helsinki, Jan. 14.

It was announced officially late last night that thirteen were killed and 71 wounded in yesterday's air raids, the first to be made on the capital by Soviet planes this year. Sirens were sounded at 1.45 p.m., immediately followed by tremendous explosions to the south-west, accompanied by heavy firing from anti-aircraft batteries.

Four hundred Russian planes participated in raids on various parts of Finland yesterday, it was revealed here today. The regions visited were principally in south-west Finland and the fighting zone on the Karelian Isthmus. Ports and rail junctions were again bombed. The "poor results" of the raids, it is claimed, were largely due to Finnish fighters and anti-aircraft batteries forcing the Russians to fly high, breaking up their formations. Finnish planes are stated to have successfully attacked Soviet columns on the march.

A communique issued here states: "It was a quiet day on the Karelian Isthmus yesterday. "On the eastern front, a Soviet attack was repulsed with heavy losses. The Russians made heavy air raids, especially against places in south-west Finland. About 400 planes participated. Some civilians were killed and fourteen wounded. There was some damage to property. Five Soviet planes were shot down and an unconfirmed report states that seven more were shot down."—Reuter.

Nazis Raise Embargo

Stockholm, Jan. 14.

Nazi authorities have raised the embargo imposed on a consignment of Italian arms destined for Finland, which were in transit through Germany. The arms were held up by the Germans last week, according to the Berlin correspondent of the Belga Agency.—Reuter.

No Italian Volunteers

Helsinki, Jan. 14.

Italian authorities here yesterday denied that Italian volunteers had arrived in Finland. They stated they had no knowledge of a so-called "Volunteer Legion" of Italian soldiers, which reports from abroad said, had arrived in Finland.—United Press.

Russo-Finnish Air Battle

Svanvik, Jan. 14.

A fierce air battle between Russian and Finnish planes climaxed a day of heavy Russian air activity over Salmijaervi yesterday. The results of the battle were not known but it was confirmed that three Russian pursuit planes flew over Norwegian territory during the battle.—United Press.

Helsinki Communications Cut

Stockholm, Jan. 14.

Communications with Helsinki were still bad yesterday because of a bad cut in the cable out of the Finnish capital since the air raid on Friday. It was reported that only one line was working out of Helsinki via Stockholm.—United Press.

Dutch Deny Violating German Territory

Amsterdam, Jan. 14.

The falsehood of a German report alleging that a Dutch military plane violated German territory yesterday afternoon was revealed in a Netherlands Government communique this evening. "An investigation by Dutch authorities," this communique asserted, "showed the falsity of this allegation."

Berlin had declared that a Dutch military craft had flown over the Nordhorn region in violation of the Reich's border. The accusation originated with the German General Staff.—Havas.

Japanese Report on Mandates

Geneva, Jan. 14.

The Mandates Commission section of the League of Nations has received the Japanese Government's report for 1938 on the administration of islands under Japanese mandate.

Some significance is attached to the fact that Japan, although she has withdrawn from the League, is still maintaining contact with League organizations.

The islands under Japanese mandate are in the South Seas, and comprise the Mariana, Marshall and Caroline groups. They have a total area of 2,148 square kilometres.—Reuter.

New Postage Stamps

London, Jan. 10.

To commemorate the centenary of the introduction of adhesive postage stamps, the Postmaster-General announces that in May, a special series of lower-priced stamps will be issued.

R.A.F. Flights Over Austria

British Newspapers and Leaflets Dropped Over Vienna and Prague; Patrols Over Heligoland

SPECIAL TO THE "N.C.D.N."

London, Jan. 14.

"LONG distance British aircraft set out from France on Friday night to penetrate for the first time into Greater Germany, writes Reuter's Special Correspondent with the British Expeditionary Force. "They flew over Vienna and Prague and dropped pamphlets. It is understood they were over Austria shortly after midnight, and after circling over the capital, went on to Bohemia. Two hours later, they arrived back at a base somewhere behind the Maginot Line, undamaged by anti-aircraft guns or German planes.

"It is believed that the aircraft flew at a high altitude but came down to a low level over the cities to release leaflets. Other planes from England successfully reconnoitred north-western Germany. Patrols were also maintained over the Heligoland Bight. The flight is described as 'very uneventful.' This is particularly remarkable since conditions were as ideal for German counter-action as they were for reconnaissance."

"Pilots reported that Germany was very thoroughly blacked-out except for a large town near the Swiss border which was lit up almost like peace-time. Munich was fairly well lighted on the outward journey but was completely blacked-out on the return. The planes split up after flying over the greater part of Germany proper, some going to Vienna and others to Prague. Those going to Vienna were in the air nearly nine hours, long enough, at the speed at which they are capable, to have flown from England to America.

"One of the officers who 'paper-bombed' Vienna said the city was easily recognisable owing to the Danube. Houses alongside the river were well lit.

"Besides leaflets, the planes dropped English newspapers at Vienna. After Vienna, the planes flew over Bratislava and Frankfurt. One of the planes turned back owing to engine trouble. The engines of the others never faltered. One of the pilots declared: 'We could have continued flying like that for days,' Reuter's Special Correspondent concludes.

It is learned that the German plane shot down off the south-east coast of Scotland yesterday morning was a Heinkel. A launch picked up a German officer who reported that three members of the crew were killed.

The crew of a London steamer which reached a northwest port today stated they saw the German plane which flew over South Shields on Thursday brought down in the North Sea by British fighters. The German plane dived almost vertically into the sea and did not rise again.—Reuter.

Trawlers Want Armament

London, Jan. 14.

German bomb and machine-gun attacks on British trawlers during the last week, in which six trawlers were sunk, produced demands for defensive armament on fishing boats yesterday

Fishermen, few of whom carry guns are especially open to attack, it was said. The secretary of the North Coast Fishing Vessel Owners Association said, "since there have been so many cowardly attacks, the men have now requested as much protection as it is possible to give them." He added, "Our men are clamouring for guns, and they are ready to use them if they have to."

The trawler Flavia returned to a Scottish port on the east coast and reported that German planes had machine-gunned the vessel from a distance of 50 feet. Nine bombs were dropped, it was said, but all of them missed the Flavia. There were no casualties on board.

"The last bomb seemed like an aerial torpedo," the Flavia's skipper said. "I thought the ship's hull had blown out. A huge curtain of water was thrown up and the engine room was flooded and pipes burst."—United Press.

The European War, Jan. 15.

Holland, Belgium Ready

British Expeditionary Force Leave Cancelled; German Concentrations on Borders

London, Jan. 15.

THE British War Office announced last night that leave from the British Expeditionary Force had been temporarily suspended. Without explanation, the announcement came while European capitals buzzed with excited rumours that Germany was preparing to invade Belgium and Holland. Reports of new German troops movements along the Belgian and Netherlands frontiers brought rumours that Germany intended to attack those countries. Unconfirmed Greek newspaper reports from Berlin yesterday said that the Allied armies were "on the eve of defensive action on the Western Front."—United Press.

Dutch Cabinet Holds Emergency Session

The Hague, Jan. 15.

The Netherlands Cabinet held a special emergency session here last night to discuss the international situation following rumours that Germany was planning an invasion of Holland and Belgium. An official announcement after the Cabinet meeting said that "symptoms of an international character made the Government decide to grant no Army leave." The Government took the same precautionary measures ordered last November when Holland first feared a German invasion. The emergency orders resembled those taken in Belgium on Friday and Saturday.

The Netherlands and Belgium took emergency military precautions on the basis of inside information that Germany had decided to begin a new phase in the war as soon as possible by starting totalitarian aerial warfare, well-informed political quarters said today. They cited Germany's recent reconnaissance flights over the Scottish and English coasts. There would be no direct danger to Holland, they said, and also that there was no indication of German pressure on the Netherlands' Government. The intensified phase of warfare, however, would mean an intensified international situation and thus Holland should take all the necessary measures to maintain neutrality.

Unconfirmed reports said that Germany had concentrated additional troops on Holland's south-eastern frontier. These units were reported to have included a number of highly mobile units. The Netherlands Army, it was understood, is planning to reinforce its defences in that area.—United Press.

Warning Comes from Italy

Brussels, Jan. 15.

The Belgian General Staff took extraordinary precautions, it was revealed today, but gave no official indications for the reason. Usually well-informed quarters reported that unidentified "Italian circles" on Friday warned Brussels that the danger of attack on Belgium was imminent. This report could not be confirmed, but it was pointed out that the Italian Crown Princess, Marie Jose, is a Belgian by birth.—United Press.

Echo of America's Big Spy Trial

New York, Jan. 15.

Karl Schlueter, Nazi secret service agent, who fled from the United States in October 1938, at the time of the big spy trial the biggest in America since the United States entered the Great War is now in custody.

He was found by the Federal authorities working as a steward in the German liner Columbus, now scuttled.

Schlueter was indicted in 1938 with seventeen others, four of whom are now in jail. The four standing trial were Johanna Hoffmann, former hairdresser in the liner Europa, Otto Hermann Voss, former employee in the Seversky aircraft factory, Eric Glaser, a private in the United States Army Corps, and Guenther Rumrich, twice deserter from the United States Army. All were accused of transmitting to Germany the secret army code book for communications between aeroplanes and their bases, and various blueprints relating to the design and armament of Seversky pursuit aeroplanes on order for the United States army.

Sentenced

Hoffmann was given four years' imprisonment; Voss got six years; Glaser and Rumrich each two years.

Besides Schlueter, the following were indicted but were not in custody and could not be tried: Mrs. Jessie Jordan, of Dundee, who was serving a four-year sentence for espionage in Britain; Dr. Ignatz Griebl and Werner Gudenberg, both of whom escaped to Germany before Federal officers could arrest them; and Captain Eric Pfeiffer, of Berlin, described as the head of the whole German Secret Service.—Reuter.

Unknown Planes Bomb Swedish Territory

Stockholm, Jan. 15.

The Foreign Office announced last night that unknown aeroplanes yesterday morning flew over Swedish territory, including the archipelago between Haparanda and Lulea. A heavy fall of snow prevented identification. Eight foreign planes were reported over Alhamn, flying northward at a great height.

Detailed reports from Lulea show that at least nine bombs were dropped, without causing any damage. Several bombs were also dropped on Kallaz, six miles south-west of Lulea, and exploded upon the ice.—Reuter.

Sweden Will Protest

Stockholm, Jan. 16.

The Swedish Government has decided to lodge a protest with Moscow over the bombing by Soviet planes yesterday of two Swedish localities, the island of Kallaks and the town of Lulea. An investigation showed that the bombs dropped were of Russian origin as splinters picked up bore Russian inscriptions.—Havas.

Scuttled Columbus Crew Leave for Germany

New York, Jan. 15.

A total of 513 men of military age from the scuttled German 32,565-ton liner Columbus left here today for the Pacific Coast en route to Germany. They will travel via Japan and the Soviet Union.

The United States recently decided that the crew of the liner was not liable to internment.

Over 100 members of the crew not of military age are remaining at Ellis Island until accommodation is available on neutral ships returning across the Atlantic.

The Columbus, third largest liner of the German mercantile fleet, was scuttled off Cape Henry, Virginia, on December 19 to avoid the risk of seizure.—Reuter.

Nothing Doing on Western Front

Paris, Jan. 15.

The Western Front passed a quiet night, says the latest French war communique.

"Nothing of importance occurred on the Western Front during the day," stated an earlier communique.—Reuter.

Norwegian Ship Sunk

Oslo, Jan. 15.

The Norwegian steamer Fredville, of 1,150 tons, was sunk by a mine in the North Sea yesterday. There are five survivors. Eleven men are missing and it is feared they have perished.—Reuter.

More U.S. Funds for Finland

New York, Jan. 15.

The Finland Relief Committee, under the chairmanship of ex-President Herbert Hoover, today sent another cheque for $100,000 to Finland. This brings the total amount sent by the Committee so far to $600,000.—Havas.

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Soviet Intensifying Raids

Milder Weather Favours Attackers ; Aerial Activity Believed to Be Prelude to Major Offensives

Helsinki, Jan. 15.

MORE than forty Soviet planes attacked Finnish positions on the Petsamo Front yesterday morning in what was believed to be the prelude to a new battle because of milder weather. The Soviet forces were reported to have brought up heavy reinforcements and large shipments of supplies during the day. The Finnish High Command communique said the Russians attacked on the eastern isthmus frontier, yesterday near Ilomantsi but were repulsed when the Russians lost seven tanks and two anti-tank guns.

Fifteen persons were reported to have been killed yesterday in Soviet air raids on Lahti, Hyvinkaa, Hameenlinna, Tampere and Kokemaki. Two Russian sea planes were shot down during the raids, official reports said. Ten Russian bombers raided Helsinki twice yesterday, dropping bombs near a country home occupied until a week ago by the American Minister to Finland.

Thirty bombs were dropped near the American envoy's former home in the first raid at 10.30 a.m. The former home of the American Minister, Mr. Arthur Schoenfeld, is isolated from all military objectives. It was not occupied at the time of the bombing. In the second raid, ten Soviet planes were over the capital for a half hour beginning at 3 p.m. One Soviet bomber was shot down during this raid and crowds on the streets cheered as it plunged toward the earth in flames.

Sixteen bombs, including several weighing 500 pounds, landed within 100 yards of the house formerly occupied by the American Minister. An incendiary bomb crashed through the living room of the house and buried itself in the cellar, failing to ignite.

Anti-aircraft fire against the Red raiders was the heaviest seen here yet. Every minute during the raids the ground shook heavily from distant explosion. Pigeons fluttered in panic and dogs were terrified.—United Press.

Reds Concentrate on Vaasa

Helsinki, Jan. 15.

During the many Russian air-raids over the week-end, the greatest damage was done at Vaasa, where 90 bombs were dropped in five visits. The Russians seem determined to put this important port out of action as well as Salo. Several citizens were killed and a number wounded. Serious fires broke out.

In air raids yesterday, nine Soviet bombers flew at the low height of about 4.000 feet, dropping down another 1,000 feet before releasing bombs. Almost every gun in the city opened fire. Bombs were dropped in the working class quarters. No great damage was caused. Two Finnish fighters took off, chasing one bomber out to sea and two more to the west. Bursts of machine-gun fire from the fighters, which appeared to be very fast modern planes, were seen clearly from the streets.

Among other towns heavily bombed by the Red Air Force in all parts of the country, were Hangoe while Tamisaari experienced five raids. All communications with Hangoe have been severed. The whole population of Tamisaari, the statement declares, was in trenches, hence there were no casualties though the Russians tried to machine-gun them. Forty bombs, it is added, were dropped on Espoo and 300 missiles on Rajamaki, causing slight damage.—Reuter.

Danish Ambulance Attacked

Stockholm, Jan. 14.

Professor Kivis, Danish ambulance head in Finland, reported today that his ambulance car was bombed by Soviet planes, but escaped damage. —Havas.

Mr. Oliver Stanley Ill With Influenza

London, Jan. 10.

Mr. Oliver Stanley, newly-appointed Secretary of State for War, is ill with influenza.

He has a slight temperature, and is unlikely to take up his duties for two or three days.

The Minister of Supply, Mr. Edward Burgin, has appointed Colonel Sir Charles Wright to be Controller of iron and steel.—Reuter.

M. Daladier Fractures Foot in Accident

Paris, Jan. 9.

M. Edouard Daladier, the French Premier, was the victim of an accident yesterday afternoon, when he fractured his foot. The fracture, however, according to a communique issued by the Premier's office, was satisfactorily reduced, and M. Daladier immediately returned to work at the Ministry of War.—Reuter.

Miscellaneous

New U.S. Loan for China Reviewed

Washington, Jan. 13.

The possibility of a new American loan to China was discussed by President Roosevelt yesterday with Mr. James Moffett, vice president of the California-Texan Oil Co. and former chairman of the National Petroleum War Service Commission.

Mr. Moffett said as he emerged from the White House that he and the President had also conferred on other aspects of the situation in China.

Chinese officials, Mr. Moffett said, are seeking additional credits in the United States to supplement the original semi-official loan of $25,000,000 by the Export Import Bank in 1938.

The Chinese Government, he said, hopes to obtain total credits of about $100,000,000 in the United States in blocks of $25,000,000.

Despite the war in China, Mr. Moffett said, the Chinese Government is steadily amortizing its present credit from the Export Import Bank. He said he anticipates, however, that spreading Japanese military operations might interfere with Chinese export channels in coming months.

Mr. Moffett said he gave the President confidential information which agents of his company in interior China had assembled in recent weeks. —United Press.

British Trans-Atlantic Air Service

SPECIAL TO THE "N.C.D.N."

London, Jan. 9.

The British Overseas Airways Corporation is sending a technical expert to the United States, Canada and Newfoundland, in anticipation of the opening of a trans-Atlantic air service in June from Britain.

The 1940 service will be maintained by giant flying-boats, and fast land machines will be substituted in 1941. A weekly service from both ends will be operated, the plans are advanced for an increase of the service when more machines become available.—Reuter.

Mr. Gauss' Nomination Approved

Washington, Jan. 10.

The Senate Committee today approved the nomination of Mr. C. E. Gauss, present U.S. Consul-General in Shanghai, as first U.S. Minister to Australia. —United Press.

Turkish 'Quake Ruins 30,000 Houses

Ankara, Jan. 12.

No less than 30,000 houses were totally destroyed in the recent Anatolian earthquakes, according to a statement in the National Assembly yesterday by M. Euztrak, Minister of the Interior, who has just returned from an inspection of the stricken areas.

M. Euztrak gave lower figures for casualties than previously reported. He estimated that 25,000 people had been killed, and 80,000 seriously injured. He also stated that heavy loss of life and material damage resulted from flood following the earthquakes.

As a token of the deep sympathy of the Government and peoples of India in the terrible calamity that has overtaken Turkey, the Government of India has presented 1,000 tents to the Turkish Government for the help of victims of the disaster. The tents are being shipped immediately to Egypt for transmission, according to the wishes of the Turkish Government.—Reuter.

THE BOOK PAGE

"Such as These"

HITLER'S TWELVE APOSTLES By Oswald Dutch. Edward Arnold, London. 10/6.

This is the third book by Mr. Oswald Dutch. The other two are "Thus Died Austria," a well-documented and authentic account of events at the time Germany seized Austria and an estimation of the future, which time has already proved to be a very correct account, and "Germany's Next Aims," published in March 1939, which is described in "The Sunday Times" as a mine of information about the historical and economic background of recent history. With the background of these two books behind him it does not seem unreasonable to assume that what appears in the present one is other than of equal authenticity. In "Hitler's Twelve Apostles" Mr. Dutch has selected twelve men close to Hitler, who are vitally concerned with the aims of National Socialism and have helped and are helping to frame its policy past and future, and he has drawn a number of thumb-nail sketches, or they might almost be termed short biographies, which give in a short space a very comprehensive account of the characters and careers of his subjects. The twelve chosen are Goering, Goebbels, Rosenberg, Hess, Himmler, Dr. Ley, von Ribbentrop, Streicher, von Brauchitsch, Funk, Frick and Shirach, and Mr. Dutch has not minced his words in dealing with the unpleasant characteristics of each one of them.

German Kultur

Of the twelve, some are better known to the public than others. It would be difficult to find a more brutal or callous set, outside the pages of a gangster novel, than Goering, Hess, Himmler, Ley and Streicher. The others, although not so actively brutal and without, perhaps, so many murders to their credit, each in their own way are examples of the worst side of human nature. This is not to say that they are not in many respects able, clever, virile and patriotic and have certain redeeming points, but if they are specimens of that marvellous German Kultur which has been so much talked of, Heaven help German Kultur. Neither these men, nor Hitler himself, actually founded the party whose official title is National Socialist German Workers' Party. The founders having served their purpose have either been set aside or murdered. The twelve apostles are amongst their supplanters and murderers.

Doubts Dispelled

If anyone has any lingering doubt as to what and whom the British Empire and France are fighting, a perusal of this book will quickly dispel them. To suggest that once Hitler is out of the way, Hitlerism will fail or even weaken and the character of the German people change is the greatest mistake that can be made. Any one of these twelve (and there are many others of the same kidney in Germany) is as willing and capable of carrying on the bloodthirsty, aggressive and anti-Christian work as the Fuehrer himself, and with the same or greater ruthlessness. Goering, Hess, Himmler, Ley and Streicher are notorious for their actual brutalities, sadism and murders, and they make no bones about it.

Goering and Himmler

The author gives chapter and verse for the facts upon which he bases his censures. Goering in a decree issued by him as a Minister of the German Government frankly incites to murder:

> In the future there will be only one man who will wield power and bear responsibility in Prussia—that is myself. Whoever does his duty in the service of the State, who obeys my orders and ruthlessly makes use of his revolver when attacked, is assured of my protection. Whoever, on the other hand, plays the coward will have to reckon on being thrown out by me at the earliest possible moment. A bullet fired from the barrel of a police pistol is my bullet. If you say that it is murder, then I am a murderer. I know only two sorts of law, because I know only two sorts of men; those who are with us and those who are against us.

And in a speech made on March 4, 1933, at Frankfurt-on-Main he said:

> My measures are not to be vitiated by legal considerations. You must all become accustomed to the idea that I am not in office to dispense justice but to destroy and exterminate.

Himmler, head of the German Secret Police, is one of the worst of the twelve. Here is a description given of him by one of his political prisoners:

> The moment Himmler stepped up to us the expression of his eyes changed. Just before the look in them had been clear and open, now their expression became cold, veiled and cunning. From this look an enormous sense of power strikes one. Suddenly one knows that it is a matter of no consequence to this man whether he tortures his victim to death or shoots him out of hand. These eyes and this sense of power account a human life at less than nothing. At first his rage is concealed, with difficulty, under a cool composure, but if his captive does not give him instantaneously and without hesitating a civil answer, his shrill voice hurls threats at him which, on a further denial, are at once put into effect. He looks on indifferently while prisoners are beaten and maimed before his eyes. His only cause for regret is when the victim dies before being able to make a statement which is important to him. The thin line of his lips, raised towards the centre, betrays the cold calculator and his logical brutality—a pitiless man with no illusions. Every adversary of Himmler who has faced him, and met this expression, knows no more hope. The look and all it implies prove too clearly that in the soul of this being dwells no mercy, but only brutal purposefulness, the cold will to annihilate, and joy in the sufferings of his victim.

These are two instances taken at random, and could be multiplied over and over again of each or any of the twelve apostles.

"Mainly Mythical"

Sadism, filthiness and cruelty are the leading characteristics of nearly all these men, and that is what the British Empire and France are up against, and not only that, but the same form of beastly ideas are being inculcated into the German youth, and it must be realized that we have not now to deal with—what was anyhow mainly a mythical picture—the kindly, industrious, peace-loving German of former days, but with a German people and youth trained and brought up in the doctrines of National Socialism as exemplified by men like Hitler's twelve apostles, and it is a Germany peopled with such as these that we have to conquer if there is to be any enduring peace and security in the world again.

The author refers to Streicher, the notorious Jew-baiter, as perhaps the most original figure of all those who in these days lead their monstrous lives in Hitler's Germany. "Monstrous" is an appropriate word.

Reward of Friendship

In addition to the sketches of the twelve apostles, there are other interesting chapters in the book dealing with what the author calls the frame of the National Socialist Party: how it came to be built up with the assistance of numbers of men who were subsequently brutally murdered. The name of Captain Ernst Roehm, who was shot by Hitler in 1934, is well known as one of its chief adherents. He was one of Hitler's staunchest supporters. He was devoted to Hitler, loved him and worshipped him, but he, like the bulk of National Socialists, was brutal, lacking in restraint, a pleasure-seeker and bloodthirsty, and, what is perhaps in Germany considered a minor failing, he was a pervert and homosexualist. He was cruel and sadistic, but he was a patriot and a man and one of those who helped most to build up the National Socialist Party into what it has become. Yet in spite of his devotion and all he did for Hitler, Hitler had no compunction about shooting him.

Dangerous Doctrine

Another chapter, entitled "Martyrs," describes Germany's official and unofficial martyrs. Amongst the former are Otto Planetta and Wilhelm Holzweber, murderers of Dollfuss. Nevertheless let it not be thought that this book consists of nothing but vulgar abuse. On the contrary the author gives every one of the apostles due credit for their courage, devotion to their cause, patriotism, and other redeeming qualities, wherever it is possible to do so. A book difficult to review without unduly quoting, but a book to be read by everyone who has any leanings towards the dangerous doctrine that the Germany waging this war is not a Germany which will back up Hitler and Hitlerism to the last man. —R.F.C.M.

Multum In Parvo

THE CATHOLIC PHILOSOPHY OF LIFE. A series of Radio Lectures presented under the auspices of the Shanghai Catholic Radio League. First series 1938-39. T'ou-Se-Wei Press, Shanghai.

In this little volume are collected the first-fruits of the enterprising Shanghai Catholic Radio League's activities, namely twenty talks given in English by well-known priests from Station XMHA, dealing with the fundamentals of Catholic faith and practice in a simple and direct and, withal, scholarly manner. These preachers speak straight from the shoulder and answer forcefully many of the objections raised by uninformed "moderns" to the teachings of the Universal Church and to religion in general. Such topics as "Can we believe in the Gospels?" "The Catholic Philosophy of Education," "The Religion of Tomorrow," "Christ and the Intelligentsia," "The People's 'Opium'" and "The Enigma of Christ and the Cross," are tackled in these trenchant discourses which should be of interest to Catholics and non-Catholics alike, but particularly to those many who earnestly and fearlessly seek for light amid the encircling gloom in our chaotic and complex times.

An Instructed Laity

Bishop Haouisée, S.J., in his brief preface to the present volume, aptly quotes Cardinal Newman in saying that what is desired in Catholics is

> ....the gift of bringing out what they are, what their religion is. I want a laity, not rash in speech, not disputatious, but men who know their religion, who enter into it, who know just what they hold and what they do not, who know their creed so well that they can give an account of it and who know enough history to defend it. I wish you to enlarge your knowledge, to cultivate your reason, to get an insight into the relations of truth to truth, to learn to view things as they are, to understand how faith and reason stand to each other, what the bases of Catholicism are.

Notable Contributors

The authors of the little volume are mostly priests whose work is well known in Shanghai. There are Fathers McGreal, S.J., and Lipman S.J., who are now attached to the Church of Christ the King; Father Kearney, S.J., of Nanking, who was formerly for a number of years in Shanghai; Father John J. O'Farrell, S.J., at present stationed in Wuhu; Father Magner, another Shanghai Jesuit; Father McGoldrick, of St. Columban's Mission here; and Monsignor William McGrath, Prefect Apostolic of Lishui in Southern Chekiang, who is widely known for his book on Chinese country life, "The Dragon at Close Range."—V.M.

New Fiction

Who knows what mental suffering may be concealed behind the brave smile of the husband of a famous wife? Miss Leila S. Mackinlay in **"Only Her Husband"** (Ward Lock, London. 3/6) poignantly describes the feelings of a man who, conscious of his own worth, has never had a chance in the shadow of his wife's distinction. Julian was the husband of a popular actress.

> ...In his secret heart he awaited the coming of her successor because then, and only then, would Stella be free to devote herself to a husband. For twenty years he had watched and waited with a patience only slightly diminished....

How long was he to wait before a younger actress outshone his wife?—it might be for ever. Julian took heart and outshone her himself. How he did it makes very interesting and extremely bright reading.—D.P.

There is one characteristic of the hero of Frank Carr's **"Tosser, Gunman"** (Ward Lock, London. Colonial Edition 3/6) that discredits him in the opinion of the reviewer, and that is that although he admits he is a gunfighter, not from inclination but necessity, he warns his victims sometimes several chapters in advance that he will kill them. That he always carries out his threat does not make for interest on the part of the reader. Apart from that, the book is interesting reading and one which should be welcomed by lovers of Westerns. That Tosser wants to shame his mother, whom he does not know but whom he hopes to find during his travels, also will not appeal to the casual reader. The author does not employ much finesse in revealing her identity, but resorts to the moustached villain type of melodrama, decades old, to bring about the revelation. That "all's well that ends well," is the conclusion that all must reach without any great brain fatigue.—M.N.O.

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SPECIAL ARTICLES

U.S. FOREIGN POLICIES

By Smithsonian

The Russian-Japanese truce made in September, the friendly overtures to Japan, by Molotov in his October speech and the repeated rumours that a Russo-Japanese commercial understanding is in process of negotiation have increased the interest of the United States in the Far Eastern situation.

The possibility that the two traditional rivals in Eastern Asia might in future act in concert just as Germany and Russia have acted in concert to the astonishment of many even who now claim to have predicted it, has led to anxious enquiries as to whether China is likely to share the fate of Poland and if so what will become of the Open Door policy and American traditional rights.

The Administration have at least made it abundantly clear that they have no intention of abandoning any of their rights in China gracefully or voluntarily. Even if there is no possibility of the United States fighting for them there are means "short of war" by which the country's irritation can be shown. On January 26 the 1911 trade treaty expires and no concrete or specific steps have as yet been taken to negotiate a new treaty or arrange for a *modus vivendi* while a new treaty is being negotiated. This means that on January 26 the Japanese may cease to benefit from any of the tariff reductions made in the 22 reciprocal trade agreements negotiated by Mr. Hull. That in itself is a form of sanction but there is a widespread demand in Congress for the imposition of some form of embargo against Japan, a measure which would be legally possible when the treaty of 1911 has ended. The State Department have taken the position that they will not negotiate any new trade treaty until they have some guarantee that American rights in China will be respected. Their position in China has been settled in the past by treaties and agreements between the United States and the recognized China authorities and the American Administration do not admit that a third party, Japan, has any right to change or modify those treaties and agreements.

* * *

Renewed Russian interest in the Far East has not softened the Administration's views of Japan's activities in the slightest degree. Neither Japan nor Russia find their activities condoned in any way. Administration spokesmen have commented on Russian action just as severely as they have on Japanese or German. The three "desperado powers," as they are sometimes referred to, may not have any hard and fast binding understanding among themselves but in the eyes of the United States they are all alike wilful violators of international law. The American Government would no more consider attempting to check one of them by cultivating a friendly understanding with another than the police department of a big city would enlist the aid of one gang of lawbreakers to check the activities of a second.

The United States can say with some justification that they are not engaging in balance of power politics in the Far East. In the past there was frequently a tendency to balance Russia against Japan and vice versa. In fact one of the reasons for the recognition of the Soviets in 1933 was that it might provide a useful counterweight in the Far East. When one or other of these two Far Eastern powers became too powerful the United States opposed its expansion. Russian economic penetration of Manchuria in 1899 was the chief contributing cause for the Open Door doctrine. The presence of American troops in Siberia after the last world war acted as a check upon Japanese ambitions in that area. United States sympathies have swung from one power to the other throughout its history. Now there is opposition to the policy of both.

* * *

The Russian attitude towards Finland has been vigorously condemned and the strictures of Molotov and the controlled Russian press answered in kind. A very pointed snub was administered at the annual Embassy party in celebration of the "Great October Revolution." Not a single Cabinet member or Senator attended and the State Department was represented by a junior official from the Russian division.

While the Administration attitude towards Russia is based on the fear that the new policy of imperialist expansion will spread to other areas, that it might for example threaten not only Finland but also Scandinavia; that it might lead to the so-called "liberation" of large slices of China and their incorporation into the Soviet Union just as half Poland was "liberated"—the American public have been stirred by other matters. They feel resentment against the Soviets for the treaty with Germany, the attack on Poland and the bullying of the Baltic States, but they have also been emotionally stirred by the long series of purges by the attacks on religion and the suppression in Russia of all human liberties, of everything which the United States understands by the word democracy.

Attempts to whitewash Russia's policy meet with far less success in the United States than they do in England. There is no political group within the United States which is compelled to try and justify a past policy based upon a belief in Russia's trustworthy character. The actual Communists in the United States are too few to count while the disillusioned fellow travellers have now left the party bag and baggage.

* * *

The United States is more interested in Russia's relationship with Japan than with Germany, but she recognizes that there may be some striking parallels between the two. From its detached position the United States is also able to appraise the value of Russia to the Nazis more clearly than is British public opinion, which naturally tends to as much optimism as possible. Russia has declared that she does not intend to fight for, nor to give military aid to, Germany. In England this is cheering news, but in the United States the question is asked whether the best aid Russia can give Germany is military aid; is it even economic aid? might it not be a narrow and very specific type of moral aid?

* * *

In a comprehensive review of foreign policy given by Assistant Secretary of State Mr. Messersmith in November, Russia was not mentioned but a great deal was said about the Far East. After referring to the Washington Conference treaties Mr. Messersmith said, "In recent years these treaties have become vitally affected by the unfortunate developments that have occurred in the Far East: Our Government stands on the objectives, the spirit and the provisions of these treaties....Any revision which takes place must be achieved by due processes of international law, in accordance with treaty provisions, and with due consideration for American rights and interests rather than by unilateral action on the part of any one power."

The paragraphs which followed may have referred to the consequences of a closer Russo-Japanese understanding, "There are some in this country who suggest a moratorium for the established principles of our foreign policy until the kaleidoscope of the modern world has come to rest. New groupings abroad, they say, call or may call for changes in our own policy. To these I say with conviction that no arrangements between other nations can cause the people of this country to abandon the principles to which we have been committed....No changed groupings of foreign countries will cause this country to desist from its advocacy of orderly processes in international relationships."

* * *

But while the United States was prepared to be an advocate and a judge Mr. Messersmith made it clear that any role of enforcement officer was out of the question. He even made it clear that any attempt to determine which of the nations now at war came under the strictures of the general principles he had enunciated was out of the question. "In dealing with the belligerents it is our intention to be truly neutral," he said, "that is, to trade in all commodities with both sides within such limitations as may derive from our desire to eliminate or reduce danger to our nationals our goods and our ships, and the legitimate limitations which may be imposed by the belligerents themselves in strict accordance with the rules of war."

In declaring the United States' determination to remain at peace and its earnest hope to see peace restored to other continents, Mr. Messersmith gave no indication of the kind of peace which he would like to see established. Judging from the fact, however, that none of the peace appeals to date have received the endorsement of the Administration, and judging from the further fact that both the Polish Ambassador and the Czechoslovakian Minister are recognized as the representatives of sovereign states, it would not be a peace based upon German terms.

Rule of the Roost

Nazi egg ration is one a week

It is ein tiny Wyandotte
Of whom her Deutchland begs:
"Come, little hen, get off der spot
Und lay for us more eggs."

"What good is eggs," she said, "when now
Der German peoples choke
Upon their one a week, und vow
They hate der Nazi yoke?

"What's more, each time I want to lay
I have to stand und shout
'Heil Hitler!'—Well, I mean to say,
It wears a poor girl out."

We gave to her ein glass of bier
Und left no stein unturned,
But still, although her gait was queer,
Der anxious plea she spurned.

Und "Ach!" she said mit angry screech,
"Der game, it does not pay.
He wants ein Swastika on each—
Und I'm not built that way.

'Besides, der nation's fate, you know,
Is hung upon this peg:
One Reich" (she clucked und turned to go)—
"One Fuehrer—und One Egg."

—BEE.

IN PARENTHESIS

Rapid Fire

"Yessir, officer, when a riot starts. I always do my best."

"What's your best?"

"A hundred yards in 10 secs."

* * *

Familiar Weapons

A militiaman was being reprimanded for the poor progress he was making with his rifle.

Instructor: "If only you could handle your rifle as you handle your knife and fork...."

Militiaman: "Yes, sergeant, but I've had 19 years' practice with a knife and fork."

* * *

Counterfeit

"Hullo, Slimey. I'm sorry I put a dirty trick across you last week." "Whatter you mean?" "Well, the diamond bracelet I sold you was a fake." "Oh, that's all right. I paid you with the money I took out of your hip pocket." "Oh, that's quite O.K., it was counterfeit."

* * *

Educated

A wife stated at Tottenham Police Court: "If I ask my husband anything concerning the house he says, "Don't bother me, my dear. I'm a student, I mustn't be pestered with trivialities."

Student! Why, the only things he ever reads are the labels on beer bottles.

* * *

Good Enough at the Price

A small Cockney recruit went to join up and the recruiting officer said: "What's the good of a measly little chap like you joining up?"

The recruit looked at him and said: "What do you expect for two bob a day? Napoleon?"

* * *

Mistake

"You broke this vase over the head of your husband?" demanded the Magistrate of the lady before him.

"Yes, sir, I'm sorry," replied the lady. "I didn't mean to do it."

"Then you did not intend to hit your husband?"

"Oh, yes, but I didn't mean to break the vase!"

* * *

Scalding Hot

A medical student was having lessons in the art of bathing a small baby. He was given the child and told on no account to put the baby into the water. He started well, but after a time there was a big splash and a call for help. "Doctor! Doctor!" called the student, "I've dropped the baby in the water." "Then pull it out," the doctor called back. "I can't, doctor," was the reply. "It's too hot!"

* * *

Laugh Wanted

An amusing story is told of the comedian who went to make his will. He said to the solicitor: "Write it this way—My cash, such as it is, or what it might be, or whatever, however, and whithersoever, and—" "But" the solicitor said, "I can put it into proper legal language." "I know" the comic said, "but when the will's read I want to get a laugh."

* * *

Courting Rivals

When Gibbon, the historian was courting Lady Elizabeth Foster, he had as a rival a famous doctor. On one occasion, the doctor became tired of Gibbon monopolizing the conversation, and said:

"When you have made Lady Elizabeth ill with your nonsense, I will cure her."

"When Lady Elizabeth is dead from your prescriptions," flashed back Gibbon, "I will immortalize her."

* * *

Practising

Gibbs started out with his caddy and made a beautiful drive. Then he kicked the ball into the rough, and made a marvellous shot out. Then he picked the ball up and put it in the sand trap, after which he made a beautiful explosion shot, bringing the ball a foot from the cup. He missed the putt by 10 feet, then from that distance, neatly sank the ball. The caddy could keep silence no longer. "Mister, what are you doing" he asked. "Me? O, I'm practising for a two ball foursome with my wife tomorrow," the player answered.

* * *

200 Salutes

He was new to the Army, and for a subaltern inclined to indulge in a little self-importance. A private sauntered by without saluting.

"I'll teach you a lesson," barked the second-lieutenant. "Stand and salute me 100 times."

Miserably the Tommy began the performance just as a senior officer passed.

"What sort of drill is this?" he inquired.

An embarrassed subaltern told him.

"But surely," said the senior officer, "you are aware that you yourself must acknowledge each salute?

"Now if you will please begin all over again I'll hold the watch just to see how long it takes to salute 200 times."

* * *

Trapped

Reinhard Heydrich, who is Departmental Chief of the Gestapo under Himmler, began inveighing against the "exploitation of the German workmen by Jewish finance" at a Berlin party held in the early part of the past summer. A foreigner present interrupted his eloquence by asking, "But if earning interest on loan capital is exploitation, doesn't all you say apply to Aryan bankers as well? If so, you are talking just the sort of Marxist Socialism which you denounce!"

Nonplussed by the unusual experience of being met by argument, Heydrich assented, and then, realizing that he had been trapped, expostulated, "But I thought I was only to meet gentlemen here this evening."

A COUNTRY DIARY

Weihaiwei, Dec. 27.—Walking along the road today on my way to the hills, I made a pleasing discovery which enables me to declare that Emberiza cioides castaneiceps, in other words my old friend "Pitsiwee," the Meadow Bunting, is an all-the-year-round resident in this neighbourhood: the question of its "residence" here is usually marked with a query-mark by bird observers as it has never been definitely established that it does more than appear as a spring and autumn migrant, and to some extent nest here in the summer. But there was "pitsiwee" sitting up in an acacia tree telling me ever so solemnly that "Pitsiwee's better again" ..... thus proving to me that the bright winter weather of Weihaiwei suits the Bunting family just as well as it suits me. During this same walk I made two further discoveries not without interest. I have recently made remarks about the Hill Partridges (or *Chukor*) and have noted that while they keep strictly to the highest parts of the hills during the summer, they are not visible in winter as they hide among the rocks in the deepest valleys ...and that they never use the lower slopes of the hills just above the houses: but this morning I had to correct that impression...for shortly after the sun was up I walked right into a covey of *Chukor* sunning themselves on the southern slopes in the foothills...an interesting sidelight on the winter habits of these very shy birds which strictly avoid the haunts of man at all other times of the year. Finally, I had something in the nature of a jar when, at the top of the highest hill I walked up, I saw a very healthy-looking hare which should by all the rules have been down below stealing the last bits of green in my garden: how such an animal can subsist in the bleak hill-tops I do not know...unless there is some nourishment to be obtained from the few remaining Scotch firs, which in their turn seem to have the national gift of living on next to nothing.

* * *

Weihaiwei, Dec. 29.—Walking close to the seashore and trying to sort out the sea-birds (which are really not very numerous here now that the fishing-boats have finished their main season) I got another excellent view of a Cormorant which was standing on a rock drying his outstretched wings in that magnificent attitude which always reminds me of a church lectern. I tried to make up my mind as to what this bird exactly was; and having no books of reference to consult, I came to the conclusion that it must be that particular type of Cormorant known as a Shag, because of its size and the brilliant green sheen of its plumage. And this led me into a train of thought as to how unfairly this really grand bird has been treated by those responsible for avian nomenclature. Could anyone think of an uglier name than "Shag"....a word redolent of a very cheap and most evil-smelling tobacco! And on top of this its scientific name is the ugliest one I know: all Cormorants (of which the Shag is one) are known as *Phalacrocoracidae*, and the bird I was looking at is, I think, labelled as *Phalacrocorax pelagicus*: but the nomenclators must have weakened at some time and so, to make up for a bad start, gave it the resounding name (with a little compliment thrown in) of Resplendent Shag.....which really sounds much better. To be called a Cormorant is not so bad, for that is really a (somewhat incorrect) combination of *Corvus* and *mare*, meaning a sea-crow, but I can see no excuse for "shag" unless it is a corruption of the "sac" or pouch in which the bird receives its catch....for the English word, shag (or shaggy) means rough and hairy, which the cormorant is *not*. And as I thought thus, this beautiful bird slid away like green-black shadow over the surface of the deep blue sea.

What About the Chips?

Hearing about Scots fishermen going out in boats and collecting fish killed by explosions in the Firth of Forth, a Scot remarked:—

"Ah, weel, the Edinbury folk wull hae tae write tae Hitler, and tell him the next time he bombs the Forth tae use incendiary bombs, and then the fisher lads ah'll their fish cooked."

* * *

Economy

One Scotsman was seen pouring a strange mixture into his whiskey, which beforehand he had always taken neat. When asked what it was and why he was mixing the drink, he replied: "It's anti-freeze mixture. I'm thinking that if I take enough of it, I won't have to buy a winter overcoat."

* * *

Special Trenches

A fellow was trying to dodge military service.

"I'm afraid my short-sightedness will prevent me from doing any actual fighting," he said.

The M.O. replied, cheerfully: "That's okay, old chap, We've got special trenches for the short-sighted ones. Right up close to the enemy—you just can't miss seeing 'em!"

* * *

"Somewhere"

Wonderful were the mistakes made during the last war by troops sailing for unknown destinations. A private in a north Country regiment, supposing he was bound for the front, on being disembarked in Ireland thought he had arrived in France, so he wrote to his father saying: "We have arrived safely and the village people seem to understand all we say to them."

* * *

For Hire

A human machine, which is fast, smooth-working and efficient and combines the driving forces of youth with the wisdom of age, is for hire, according to a personal advertisement in "The Times." "This amazing machine can and will do anything. At the age of 26, it has already obtained ten degrees, written two books and 20 booklets and edited two magazines. It will hire itself for £520 per annum. It would prefer military service abroad, but is apparently unwanted by fighting services, to machine's great disgust."

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The Birth of a New Army

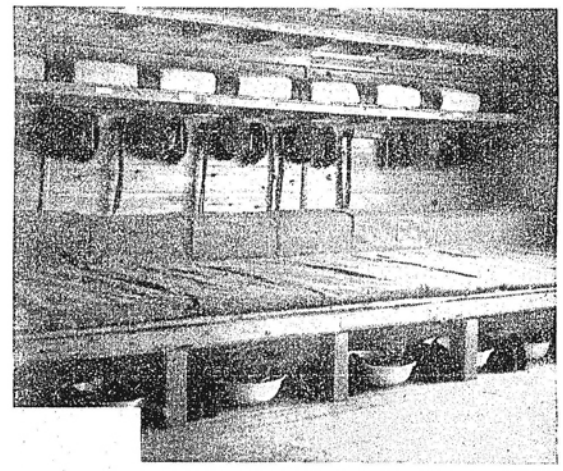
N.C.D.N. Photographs

Members of a machine gun unit, the cadets shown above are in full war kit. Their drill was smart and soldier-like.

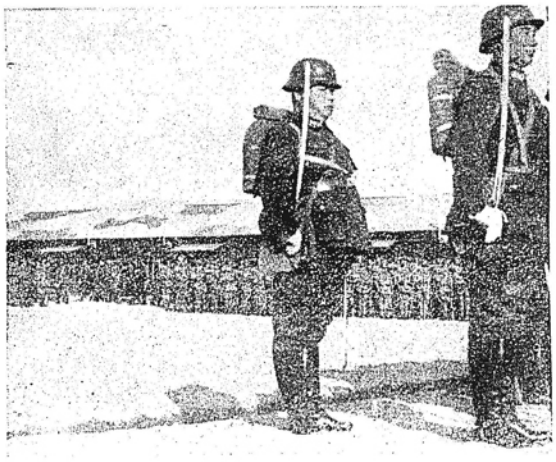
The nucleus of a Chinese army which will be placed at the disposal of the proposed new Chinese Government has been formed in Shanghai. It is the Central Military Officers' Training Corps, established by Mr. Wang Ching-wei and under the direction of General Yeh Peng, a 45-year-old war veteran and graduate of Paoting Military Academy. General Yeh has been able to recruit over 800 cadets from various parts of the country and many recent applicants for admission to the Corps have been asked to wait for awhile—General Yeh's policy being a gradual expansion of the unit. The camouflaged barracks of the new training corps (covering more than 100 mow of land) are located near Chenju where General Yeh delivered a speech on January 6 in the presence of nearly 200 guests. He and his men stand for peace, anti-Communism and national reconstruction, he said.

General Yeh is seen reading his speech with his interpreter standing beside him. Above him hangs a portrait of Dr. Sun Yat-sen supported by the Kuomintang flag which has been adopted as the emblem of the new Central Government.

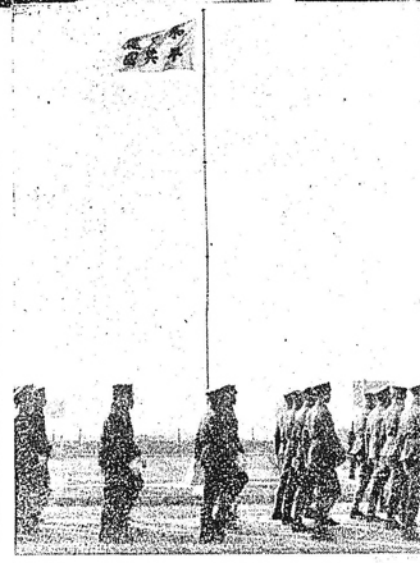
A guard of honour of the Officers' Training Corps was drawn up at the entrance to their newly built barracks and is shown saluting as guests were ushered in.



An interior view of the barracks of the Corps where cleanliness is the key-note of all arrangements. It shows part of the cadets' sleeping quarters.



Two officers of the Corps participating in the parade. In the background are the camouflaged barracks in front of which the cadets are lined up.



Marching past the flag on which the characters "Peace, Anti-Communism and National Reconstruction" are written.

General Yeh Peng was photographed in his drawing-room where he entertained his guests at a cocktail party.

The spacious hall in which General Yeh made his speech in Chinese and English.

A sentry on guard at the entrance to the Officers' Training Corps barracks.

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Missing the 5:15

VIGNETTES OF LIFE

By KEMP STARRETT

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THE WOMAN'S PAGE

A Mayfair Notebook

BY PHILINE

"Frodsham of Frodshams'," as he is known to the Royal family and members of the Palace staff, has been a regular visitor to Buckingham Palace during three reigns. He is so well known that he can move quite freely about the King's home and pass almost unnoticed by the officials. As he enters an occupied room, it will probably be in the private apartments of the King and the Queen for he spends much time here, all he need say is "Frodshams'" Having spoken the magic word he can set about his work.

This work is to cake care of the 200 clocks in the King's residence. "Frodsham" has been a valued member of a firm of clock-makers who has been in the service of British monarchs for more than one hundred years. Recently he finished a three-days engagement in the Palace, altering all the clocks from summer to winter time.

A number of valuable clocks have been removed from Buckingham Palace for the duration of the war. among them the famous Negress clock which normally stands in the Great Dining Room. The twinkling eyes of the Negress show the time. In one eye can be seen the hour, in the other the minutes. But the King's favourite clock is still in its old place, on the flat-topped desk in his workroom.

It is typical of the King's taste that of all the famous timepieces in the Palace he should prefer one of the simplest of them all, a small clock of plain mahogany, with a plain dial. He always likes plain, simple things.

• • •

A Life of Queen Mary

Queen Mary is such a popular figure among us that there will be few who do not want to know more about this gracious lady that Kathleen Woodward has written about in "The Lady of Marlborough House, a Life of Queen Mary." The firm of Cape has published the Life and it is selling at 6s. a copy.

Not long ago, a Frenchman who saw her passing in a car, wrote of Queen Mary: "This is the true image that should be offered to those who set eyes on a Royal person. She is clothed like a Queen, aloof from any fashion, any care for time or place... This is the Queen of England."

Yet one of the keynotes of Queen Mary's character has always been a natural diffidence. As a child, Kathleen Woodward describes her subject as "sweet and engaging....full of life and fun, playful as a kitten: with the deepest blue eyes imaginable, and quantities of fair hair, a lovely complexion, and a most perfect figure." But the Queen Mother describes herself as a child in a very different way. She was, she says, "very naughty, very happy, very uninteresting."

Once, as a girl, when she was asked to sign a fan at a charity bazzaar, she blushed and said: "Are you not mistaking me for one of my cousins of Wales? I am only May Teck."

• • •

A Maker of Carpets

Those who own hand-made carpets, rugs and chair-cover sets woven under the guidance of Mr. Pontremoli will in future treasure them more carefully than they have ever done. For Mr. Pontremoli, who has spent many years helping to develop the craft of carpet-making in England, has had to shut his workshop close to Paddington Station, London. Here, twenty girls, highly trained in the craft, would daily sit at work. They would take from three to twelve months to make a carpet.

Very often these beautiful floor-coverings were worked to a customer's own design. The Duchess of Kent chose a pattern of flowers and arrows, with the G. and the M. worked in; Lady Honor Channon ordered pictures of her town and her country houses to be woven into her carpet. In addition she asked that all her hobbies, such as music, flying, yachting, and skating, should be introduced into the carpet's pattern.

The Queen used to have chair covers designed here, one with Windsor Castle worked into its pattern. But the Queen is only one of many owners of fine English homes who regrets the closing of Mr. Pontremoli's workshop. His carpets represented this country at many international exhibitions and they were particularly prized by Americans.

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What We Wear . . . What They Wear

Women in the United States, as in France, have introduced the military touch more definitely into their wartime fashions than have Englishwomen. Perhaps this is because the Englishwoman connects the so-called "military touch" in clothes with her uniform which duty bids her wear. When her thoughts turn to the fashions, she wants to get away from military-looking caps and jackets. When off duty, she becomes very feminine again in short, full skirts, turban hats, or, in the evening, she likes to wear dead black crêpe with startlingly bright bead trimings.

Evening frocks of slightly stiffened lace are equally popular just now. Some are made with the ever-fashionable bodice-line fullness let into the top of a corslet skirt. Here are the puffed sleeves, the front folds, and back movement which show off the lace to advantage.

In the U.S.A., frills and fripperies have been put aside. Women want to look businesslike whether they have official duties or not. An ultra-smart outfit to be seen on Fifth Avenue, New York, consists of a hat which looks like the fez worn by the French Moroccan soldier. It has a stiff peak, with high crown and a dashing feather waving gaily over the crown. The double-breasted coat is of military cut with a gold braid trimming and tassels swung right across the front. These are fastened by detachable slips.

Admiral Sturdee's Granddaughter as Wren

Miss E. M. Sturdee, granddaughter of the late Admiral Sir Frederick Sturdee "of the Falkland Islands," photographed in the smart uniform of the WRENS when on parade at a Royal Naval School.

Britain's Women At War

The Women's Royal Naval Service (W.R.N.S.)

BY DAPHNE CLARE

The only one of the British women's "services" which is a real revival from the last war is the Women's Royal Naval Service. Completely disbanded at the end of the war, it was reformed only in April this year, and is now fully recruited.

In the 1939 version there are, naturally, some adaptations to a world which has grown over 20 years older. But to the ten per cent or so of women who served last time and have rejoined now, it seems very much like just getting back into the same uniform.

The old familiar name "Wrens," nickname derived from the initials of the service, still stands, and even has official recognition. For the titles of the three ratings are "Chief Wren," "Leading Wren," and "Wren."

Because it is the smallest of the women's services, it can afford to select only the most highly trained and efficient of those who offer themselves. "Wrens" serve only ashore, and although there are now units in almost every port, they cannot be absorbed in the same numbers as women in the Army or the Air Force women's services.

Recruits are accepted between the age of 18 and 50. A woman must be a British subject and both her parents must be British subjects before she will be considered. Those who are accepted enrol for a period of four years.

Navy Traditions

Many of the girls are members of families whose menfolk have a Navy tradition. The Director, Mrs. Laughton Mathews, is a daughter of a distinguished naval designer. She also served with the "Wrens" in the last war. A daughter of Mr. Winston Churchill, First Lord of the Admiralty, Mrs. Duncan Sandys, is a member. Mrs. Douglas-Bate, a daughter of Admiral Sir Percy Douglas, is working at Headquarters.

"Wrens" are of two categories: immobile—those who live at home near a naval port or establishment and go to their work daily; mobile—those who are willing to serve anywhere the Admiralty requires. Girls may join whichever they prefer. They are intended to take over shore jobs which would otherwise have to be done by men and thus release men for active service.

The uniform is navy serge, designed very much on the lines of the men's uniform, plain black shoes with low heels and no toecap, black stockings, white shirt, and black tie. Cap for ratings is like that worn by the Sea Rangers. The badge on an officer's tricorne hat is exactly the same as for men except that the scroll is in pale blue instead of gold. It is dignified and severe.

Ratings receive a free issue of uniform and a kit upkeep allowance of 1/3 a week. This is to cover any extras that many be needed to keep themselves spick and span—extra stockings, ties, tooth paste and little things of that kind.

Rates of pay for officers are from £210 to £275 a year. For specialized ratings 33/6 to 43/6 a week and for general ratings 30/- to 40/- a week. "Wrens" belonging to the mobile units live in hostels and are usually very comfortably housed because their quarters are permanent and are properly fitted up.

Safe In Port

They have this advantage over the women in the other services, that their duties are at fixed bases only, and that these bases are kept always in full working order.

Therefore they do not have to put up with makeshifts. A port is always a port whatever the warships are doing at sea and it is a rigid rule of the Admiralty that no woman shall serve afloat.

In the hostels the "Wrens" have all their laundry done free, and get all sorts of little extras such as toilet soap, and plenty of hot water for baths, which all helps to make the pocket money go further. About £1 a week is deducted for their board and lodging.

Throughout the service naval terms are used. "Wrens" go on "watch" as naval men do in a ship, not on duty as army women would. Time is counted by "bells." Beds are "bunks," holidays are "leave," and time off is "off duty."

Watches vary according to the kind of work the rating is engaged upon. In the specialized groups are girls who are wireless and telephone operators, signallers, telegraphists. Others do cyphering, decoding, and drive motor lorries carrying supplies from one place to another. The "general duties" cover work as cooks, stewards, messengers, and orderlies.

There are now "Wren" units in almost every port. As stewards they are working barracks, at some ports doing all the duties in the officers' mess—waiting at table, cleaning silver, setting tables.

Some of the younger ones are doing duty as messengers, others as orderlies. But whatever their job the women of the Navy are fulfilling it with the same keenness and thoroughness as the women in the other services.

Where Were They Then?

"Little Men" Of August, 1914

The leaders of war-ridden Europe today—the men who have lost self in the terrific issues for which they stand—were just "the little men" of August, 1914. When war broke out in 1914 it was a personal matter to them. As individuals they must each have wondered if they would ever see the end of it.

Lowliest of them all was Adolf Hitler, the odd sign painter and "café political" of Vienna, who wept when the patrons laughed at him too much. He had big ideas, that village lad, even then. They call him a genius or a madman now. In 1914 they just thought him unhinged when they bothered to think about him at all.

When Germany declared war on August 2, 1914, Hitler was living in poor lodgings at Munich. That first night of war he knelt in his bedroom with the tears streaming down his cheeks, thanking God that he was alive at such a momentous hour.

He walked in uncanny exaltation. He did not want to fight with his own Austrian Army. He despised the Austrians. It was the Germans who were capable of mighty achievements. He wrote a petition to King Ludwig of Bavaria pleading for the honour to be a private soldier in his army.

As soon as the postman had handed him the favourable answer to his request on the morning of August 4 Hitler left everything and hurried to barracks with more happiness in his heart than any German soldier. He became quite a good private. They gave him the Iron Cross—and made him a *gefreiter* (corporal). He was not temperamentally fitted for higher rank.

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A French School Teacher

M. Daladier, in August, 1914, was a Government school teacher. His friends knew the young man had political ambitions. So had a good many other Frenchmen of his age. War broke out. Daladier was a Reserve sergeant; he hurried to the barracks of the 158th Infantry Regiment. It was to be just a soldier's war for him.

Joseph Stalin had already made his mark, but he was in a lowly enough position at that moment of the outbreak of war. He was a political prisoner sweating in a Siberian mine. He was a revolutionary agitator, he had organized assassinations, persuaded others to take part in outbreaks against authority. In his own way he had great courage and tenacity. Authority considered Stalin cold-blooded and dangerous, and the revolutionary party looked on him as a useful disciple, without a conscience—a nice tool. Nobody thought of him as the man who might be the most remarkable leader Russia has so far produced in the whole of her history.

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A Royal Midshipman

In a sense, King George VI was in a lowly position when the Great War broke out. He was an 18-year-old midshipman on board H.M.S. Collingwood. Of course he was Prince Albert, but nobody thought of him as that. Everybody called him "P.A." until they forgot what it stood for. The life of a midshipman in the gunroom is quite a hard one. "P.A." was a very ordinary kind of midshipman as far as human contacts went.

He was a bit shy because he stammered. However, the men respected him because the captain had said that he was the best midshipman at handling a boat. That is pretty high praise from such a quarter, and there is no doubt that "P.A." was quite a useful and unassuming young man, who more than anything else was anxious to play an ordinary and unprincely part in what was to come.

At the time the Collingwood was on manœuvres. She joined the Grand Fleet at Scapa Flow. It was not so long before the Collingwood with "P.A." aboard was to take part in the Battle of Jutland. "P.A." was by that time a sub-lieutenant in a fore gun turret.

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Italian Socialist

Signor Benito Mussolini was a newspaper editor at Milan in 1914. Young Benito was about the fiercest Socialist Italy had ever known. He was rather like a tiger. He had raised the circulation of "Avanti," his newspaper, fivefold in two years. It was he who did so much by his inspired writings in "Avanti" to bring Italy into the war on the Allied side. He was to serve as a private and subsequently a corporal of Bersaglieri. He was a brave soldier.

"Tiger" Gort, British Commander-in-Chief in the Field, was a twenty-eight-year-old subaltern in the Guards when the ultimatum to Germany expired on that fateful midnight. He was a keen young officer, but perhaps he was not entirely anxious to go to war, for he had only been married three years before.

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Romantic Figure

"Tiny" Ironside, Chief of Imperial General Staff, is the nearest today to a Lord Kitchener. He is a figure of romance. Before the 1914 war he was chiefly distinguished for having disguised himself as a Boer after the South African War and served in the German African Colonial Army, where he was decorated. He was an artillery captain of thirty-four when war broke out, and was attached to the General Staff of the B.E.F. in France.

Admiral Forbes—our Jellicoe of today—was a commander of thirty-three when the first German war came. Young as he was, he was considered a very brilliant officer, and several senior officers had shown considerable interest in his career. He had just completed two years' experimental work at the gunnery school at that time, and was immediately appointed as second-in-command of the Queen Elizabeth, the first of the oil-fired 15-inch-gun battleships.

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Pioneer Military Aviator

In 1913 a subaltern of twenty-eight in an Indian Gurkha regiment was called home to become one of the first pilots in the newly-formed Royal Flying Corps. In 1911 when home on leave he had learnt to fly at his own expense, and he earned the 144th flying certificate to be issued in this country. His name is now Air Chief Marshal Sir Cyril Newall.

In 1914 Newall was still a subaltern, and with that rank went to France with the B.E.F. He was one of those pioneer military fliers who did the early reconnoitring, and developed that remarkable system of air combat which earned so much admiration and wonder in the first years of the war. He made his name as a fighting airman.

A name which means everything to millions of Poles today is that of Marshal Smigly-Rydz. In 1914 young Edward Rydz was a keen student of the Cracas Academy of Arts. He was also a second-lieutenant of the Austrian Army Reserve; for Poland at that time was split between Austria, Russia, and Germany.

On August 13, 1914, young Edward Rydz was called from his art studies to help train the newly-formed Polish legion. At that time the legion consisted of only three companies, and grim Pilsudski was the commanding officer. Edward Rydz looked so youthful and pink-cheeked that he was afraid his men would not respect him. He did not shave on the morning he went to the barracks, nor ever again till the end of hostilities. His beard made him look a lot more impressive.

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Fleet Commander

In August, 1914, a young French naval lieutenant reported at his depot for duty. His name was François Darlan. He was a jovial, rather ugly, heavy-jowled fellow, always smiling. He looked as if he could take a few hard knocks cheerfully or jump into a dangerous breach still smiling, but he didn't look like one of the world's future great commanders. Today he commands the French Fleet, and has probably brought it to a pitch of efficiency that it has never known before.

The key-man of the Allied side is General Marie Gustave Gamelin. He is looked upon in France as we regarded Kitchener in 1914. Of all the leaders today he was the only one who held anything like an exalted position in 1914. He was then a junior general officer of the French General Staff, and his advice was highly valued by all the great French leaders.

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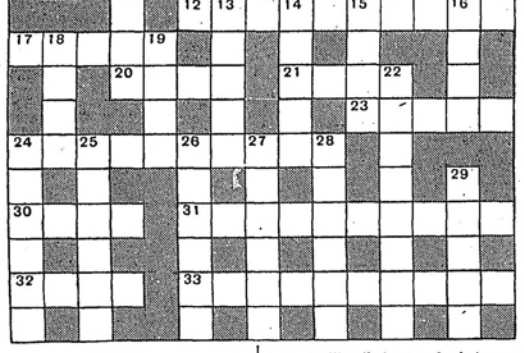
CROSSWORD PUZZLES

(By Arrangement with the "Daily Telegraph.")

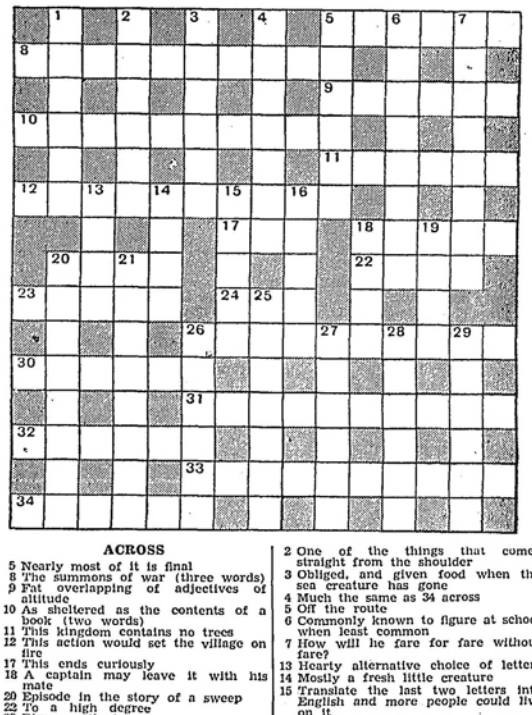


ACROSS

8 Chase mixed fisticuffs and find a sporting shelter (two words)
9 A concourse for trade, just!
10 Invariable cost of some goods (two words)
11 This work might be soothing in spite of the name
12 A path that may not be barred (three words)
17 Food that gave one of the family a start
20 Part of a ship to grasp
21 Vessels have become very big
23 One above well known company
24 Speed rings don't give cheering change
30 More than one vanished
31 Nothing is meant to crop up on it for the time being (two words)
32 Scottish island
33 Can this ailment become a human one if beheaded? (two words)

DOWN

1 He takes a hand when hearts are trumps
2 A quality that may lead to considerable uplift in a porter
3 He does not always shoot birds, as his name might imply
4 In decline
5 Once saucy, but should know his job
6 Do they forbid noise in this town?
7 Nice to look at but small minded without the second letter
13 Take us from this river and a penny gives the rest
14 Possess most of this shelter
15 Turn out and put us in to upset
16 An additional implement by the sound of it
18 Got up for a blooming treat
19 So up within he makes a pipe
22 Can the drill make a young recruit this?
24 A funk hole
25 Unship another way
26 24 down may be this place during air raids
27 This work is seen in furniture decoration
28 He looks after fellows from the docks
29 Not a nice expression



ACROSS

5 Nearly most of it is final
8 The summons of war (three words)
9 Fat overlapping of adjectives of altitude
10 As sheltered as the contents of a book (two words)
11 This kingdom contains no trees
12 This action would set the village on fire
17 This ends curiously
18 A captain may leave it with his mate
20 Episode in the story of a sweep
22 To a high degree
23 River mostly torn
24 Time for a gunner
26 There is this in 23 across and yet there probably is not (two words)
30 One finds these low in the country
31 Quite allowable, but the second I can go and leave a friendly warning to retreat
32 Unhappy husbands are often kept at it, they say
33 Harmonious
34 Mostly, and altogether, not heavy

DOWN

1 A loud-mouthed upholder of the doctrine of force
2 One of the things that comes straight from the shoulder
3 Obliged, and given food when the sea creature has gone
4 Much the same as 34 across
5 Off the route
6 Commonly known to figure at school when least common
7 How will he fare for fare without fare?
13 Hearty alternative choice of letters
14 Mostly a fresh little creature
15 Translate the last two letters into English and more people could live on it
16 This water is in the North of England
18 Swear
19 Gait
20 Read part of it certainly but you will find it shocking
21 Put whatever you wish here
25 Kind of voice in which the bridegroom should say "I will"
26 Take your pick
27 The doctor may advise it, but no toil can produce it
28 Britain didn't have to give a girl a weapon to defeat it
29 Range

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES

TOP PUZZLE.—ACROSS: 1, Bluestockings; 10, Pacific; 11, Tapster; 12, Nautch; 15, Miriam; 16, Tabular; 17, Ilex; 18, Skid; 19, Similar; 20, Glad; 22, Rent; 24, Capulet; 26, Hornet; 27, Savant; 30, Elastic; 31, Hairpin; 32, Electromagnet. DOWN: 2, Lecture; 3, Effect; 4, Tack; 5, Cite; 6, Impair; 7, Gatwick; 8, Spinning-wheel; 9, Premeditating; 13, Habitat; 14, Curious; 15, Manages; 21, Airmail; 23, Example; 24, Celtic; 25, Taking; 28, Scar; 29, Whim.

BOTTOM PUZZLE.—ACROSS: 1, Crown jewels; 9, Horse; 10, Give and take; 11, Limit; 12, Death; 15, Shoal; 17, Use; 18, Coon; 19, Wales; 21, Water; 22, Tulle; 23, Yacht; 26, Nigh; 27, Own; 28, Skate; 30, Grebe; 33, Patch; 35, Return match; 36, Niece; 37, Wire netting. DOWN: 2, Raise; 3, Wheat; 4, Junk; 5, Watch; 6, Shell; 7, Prime of life; 8, Rest in piece; 12, Drawing pins; 13, All together; 14, Hurry; 15, Sew; 16, Axe; 20, Sung; 24, Ask; 25, Toe; 28, Shrew; 29, Truce; 31, Roast; 32, Bacon; 34, Once.

From Daily News Ads.

The Shanghai Steamship Painters, Chippers and Tank Cleaners Association give notice that owing to the high cost of expenditure and increase in wages of painters, chippers, tank cleaners, etc., all tariff rates of their Member Contractors will be increased again by 30 per cent. as from January 7, 1940.

Notice is given by Kelly & Walsh, Ltd., that an interim dividend of Fifty Cents per share has been declared for the year ending February 29, 1940 and will be paid to shareholders on January 23, 1940. The transfer books of the Company will be closed from January 18 to January 23, 1940, both days inclusive.

North-China Daily News Broadcasts over Station XMHD (760 kc. 395 m.) In English (including Sundays) at 12.45 noon and 9 p.m. and in Chinese (except Sundays) at 1.30 p.m. and 9.15 p.m. Reports on transmission and suggestions are welcomed by the Radio Editor, North-China Daily News Office, 17 The Bund, Shanghai.

The Shanghai Municipal Council has for sale a surplus stock of 6266 yards of Blue Camlet uniform material, 36 inches wide, fast blue dyed, imported from England. Sale of the stock would be considered. The material is in good condition and is available owing to the Council's decision to change the summer uniform of the Chinese Police to khaki drill.

The China Hong List 1940 is now on sale at the North-China Daily News Office and all booksellers. Price twenty Dollars. A large map of Shanghai (65 inches by 32 inches) is being offered as a supplement to the China Hong List at an extra cost of $3 per copy. It is published by authority of the Shanghai Municipal Council and covers the following area: North to South: Civil Centre, Kiangwan, to Lunghwa. West to East: The Aerodrome to Pootung. Price of the map only: $6.

Notice is given by the Central China Telecommunications Co., Ltd. that, effective from January 11, 1940, until further notice, the local Chinese currency tendered for the payment of charges of telegrams sent to any place in China, Japan and Manchoukuo and of the long distance telephone calls will be accepted by the respective offices at the fixed rate of One Dollar and Thirty Cents being equivalent to One Yen. All these rates given in Yen will remain the same.

Notice is given by The New Engineering & Shipbuilding Works, Limited, that a first and final return of Tls. 5 per share plus accrued dividend to November 10, 1939 has been declared in this matter, and that the same may be received at Sassoon House, Shanghai, on January 10, 1940, or on any subsequent working day thereafter. Upon applying for payment shareholders must produce their preference share certificate (s) for surrender to the liquidators for cancellation.

Announcement is made by the Head Office of the Hongkong and Shanghai Banking Corporation, that by order of the Board of Directors, their register of shares will be closed from February 15 to February 28, 1940 both days inclusive, during which period no transfer of shares can be effected. As all transfers of shares on the Shanghai register have to be effected in Hongkong, it is essential that all applications for transfer reach the Shanghai Office not later than February 3, 1940.

Notice is given by the Royal Norwegian Consulate General that all persons having claims against the estate of Everitt F. Ellefsen, a Norwegian subject, who died in Wenchow, on December 15, 1939, are requested to send in particulars thereof in writing to the Norwegian Consulate General, 2 Peking Road Shanghai, on or before April 10, 1940. Any claim received after this date will be considered null and void. Any persons indebted to the said estate should make payment to that Consulate General within the aforesaid time-limit.

The Royal Swedish Consulate General, at Shanghai gives notice that the Swedish citizen Klas Fredrik Napoleon Karlstrom, bachelor, missionary, born on May 27, 1907, in the parish of Vetlanda, county of Jonkoping, Sweden, now resident of Shasi, Hupeh, China, and the Swedish citizen Anna Elisabet Albertsson, spinster, born on July 17, 1902, in the parish of Ljustero, county of Stockholm, Sweden, now resident of Wuchang, Hupeh, China, intend to contract marriage, and that any just cause why they should not be joined in matrimony must be declared before the acting Consul General not later than February 10, 1940.

SICCAWEI METEOROLOGICAL REPORT

Day of month	Barometer 9 A.M.	Barometer Att'ed Therm	Wind Direction a.m.	Wind (1-12)	Hygrometer 9 a.m. Dry	Hygrometer 9 a.m. Wet	Thermometer in Shade Max.	Thermometer in Shade Min.	Weather Conditions
Jan. 5	30.06	62.4	S W	1	48.2	42.8	72.3	38.8	B.
" 6	30.03	62.8	W S W	1	48.0	44.1	69.8	38.1	B.
" 7	30.18	62.6	Calm	0	44.4	43.2	59.2	37.0	O.
" 8	30.19	62.1	N E	2	50.2	48.6	59.7	40.3	B.
" 9	30.05	62.8	N E	4	46.0	43.0	47.5	43.5	O.
" 10	30.04	62.1	N N E	2	41.2	37.9	49.6	39.9	O.
" 11	30.39	62.2	S E	1	45.9	44.1	60.6	34.3	O.

EXPLANATION

B—blue sky F—fog H—hall M—misty (hazy) R—rain T—thunder
C—clouds D—drizzle L—lightning O—overcast (dull) S—snow Z—calm

SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

Date	Minimum Temperature 1940	Minimum Temperature 1939	Maximum Temperature 1940	Maximum Temperature 1939	Rainfall 1940	Rainfall 1939
Jan. 5	65.0F.	27.5F.	72.0F.	40.0F.	Nil	Nil
" 6	49.0	22.5	68.0	38.0	Nil	Nil
" 7	40.0	29.0	62.0	42.0	Nil	Trace
" 8	42.0	26.5	56.0	44.0	Nil	Nil
" 9	39.5	36.5	52.0	51.0	Trace	Nil
" 10	38.0	34.0	46.0	49.0	Nil	Nil
" 11	37.5	29.0	57.0	43.0	Nil	Nil

VESSELS DUE AT FUTURE DATES

All vessels are listed under their terminal port. The first date is that of the ship's departure from that port and the second is the date she is due to arrive in Shanghai. Where a ship's name is duplicated it indicates the port of call last visited.

On account of the present international situation there is considerable interference with movements of ships, especially those from Europe. In cases where it is definitely known that the vessel is not running to schedule the Shanghai arrival date is omitted.

EUROPE AND STRAITS

From LISBON
Torrens 10/12 30/1

From TRIESTE
C. Verde 21/12 18/1
Fusijama 21/11 20/1

From TRIESTE
Himalaya 21/12 7/2

From KARACHI
Sumatra 27/12 20/1

From SINGAPORE
C. Verde 9/1 18/1

From SINGAPORE
Fusijama 1/1 20/1
Tegelberg 15/1 22/1

From SOERABAYA
Tjibadak 12/1 29/1

AMERICA AND JAPAN

From NEW YORK
A. Maersk 9/12 26/1
Mokihana — 10/2
Sophocles 24/12 14/2
Ivaran — 17/2
Scholt 30/12 21/2
Laura Maersk 10/1 25/2

From SAVANNAH
Laura Maersk 15/1 25/2

From LOS ANGELES
A. Maersk 30/12 26/1
Asama M. 1/1 10/2
Sophocles 16/1 14/2
Tatuta M. 15/1 24/2

From SEATTLE
Collingsworth 13/1 7/2

From PORTLAND
Agra 23/12 28/1

From HONOLULU
Asama M. 9/1 10/2

From KOBE
Talyo M. 17/1 19/1

From NAGASAKI
Nasasaki M. 19/1 20/1

From KEELUNG
Tyosa M. 16/1 18/1

AFRICA AND AUSTRALIA

From CAPETOWN
Tegelberg 15/12 22/1

From CAPETOWN
Ruys 17/1 24/2

From MOMBASA
Tegelberg 2/1 22/1

PASSENGER LISTS

DEPARTURES

Per President Coolidge, Jan. 16, for Kobe: Mr. & Mrs. E. W. Turnbull, Miss B. M. Turnbull, Mr. F. De Jong, Mrs. O. Keller, Mr. Hedisato Ueta, Mr. W. Baer, Mr. J. Brechner, Mr. J. E. Dweck, Mr. A. G. Hard, Mr. C. Watanakasem, Mr. Chang Chung Ming, Mrs. R. Sherell, Mr. C. Erahn, Mr. A. Henderson, Mr. Mark D. Levy, Mrs. W. Baer, Mr. Wm. Hirzel, Mr. A. M. West, Mrs. A. C. Hard, Mrs. C. W. Hepner, Mr. H. W. Siegel, Mr. S. Shvetz, Mr. O. Keller, Mr. Ezra Attar, Mr. A. G. Denbigh, Mr. J. R. Morris, Mr. J. Naim, Mr. Colomb, Mrs. Colomb, Mr. V. Ogilvie, Mrs. A. M. West, for Honolulu: Mr. C. A. Cooper, Mrs. P. G. Tate, Mrs. Virginia Wight, Mr. R. E. Copp, Miss J. M. Tate, Mr. P. G. Tate, Mr. D. D. Wight, for San Francisco: Mr. Kent Lutey, Mrs. A. R. Jayson, Mrs. J. K. Poteat, Miss C. B. Conner, Mr. J. J. Cussen, Dr. W. B. Pettus, Miss P. A. Rose, Sir Victor Sassoon, Mr. W. C. Scott, Mrs. C. T. Crowe, Mr. J. J. Fibiger, Mr. Max Braustein, Mr. J. P. Sorenson, Miss Hsueh Cheng, Mrs. D. F. Shoemaker, Mr. C. J. Baker, Dr. K. C. Reinhardt, Mr. A. V. Pettitt, Comdr. F. S. Conner, Mr. F. M. Giles, Mr. E. H. Staber, Mrs. W. B. Pettus, Mrs. E. N. Rose, Mr. Ma Wing Chung, Mrs. W. C. Scott, Sir Herbert Phillips, Mrs. J. J. Fibiger, Miss Liu Shi-Fang, Mrs. A. Grober, Miss Tsiang Yoong, Mr. R. Wright, Miss M. Baker, Mr. A. R. Jayson, Mr. J. K. Potat, Mrs. G. B. Conner, Mr. S. R. Schuss, Mrs. J. Davis, Jr., Mr. E. N. Rose, Miss M. E. Rose, Mr. C. Y. Liang, Mr. C. T. Crowe, Miss Phillips, Lt. Comadr. J. C. Kimball, Mr. L. Brown, Miss Helen Sih-Ho Zee, Mrs. R. Wright, Mrs. C. Betuel, for Los Angeles: Miss F. Shamlin, Mr. C. Fritz, Mr. R. E. Gilleland, Mr. J. D. Skwirskis, Pay Clerk H. L. Geoghegan, Mrs. W. Tornroth, Mrs. R. E. Gilleland, Dr. A. W. Truman, Mrs. H. L. Geoghegan, Miss M. L. & Master H. R. Geoghegan, Miss A. Strasburg.

Seventy Years Ago

FROM THE "NORTH-CHINA DAILY NEWS," OF JANUARY 8, 1870

There are signs in many places that before long, the Chinese language will be more generally studied by foreigners at the Treaty Ports. The altered conditions of the trade are becoming every day better understood, and therefore we shall find merchants adopting the best means of advantageous communication with the natives. The question of selection of a teacher and a method, then becomes one of primary importance. We all of us have a distinct idea of the typical Chinese teacher. He is a plausible smooth well-dressed native, remarkable for extreme patience. He appears generally early in the day, and is viewed on cold mornings specially, with aversion bordering on disgust. He does not know a word of English, or of any language that we know. This is supposed to be an advantage, and to facilitate our mutual understanding of each other's meaning. He obliges us, very early in our intercourse, to buy a Chinese inkstand, some Chinese ink and a quantity of soft paper. He teaches us with great pains and labour how we are to hold a pencil, and obliges us to copy characters that we scarcely ever meet with in common life. When we speak, he makes sounds unlike any we have ever heard before, and unlike, any we ever wish to hear again. These we try to imitate, and after each of our efforts, the literate person grunts.

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FROM THE "NORTH-CHINA DAILY NEWS," OF JANUARY 9, 1870

We hear that the two M.I. steamers alluded to in the mail news as having passed through the Canal, are the Alphee and the Erymanthe; the former was here in 1867, but was unable to cross the Woosung Bar on account of her draught, 21 feet. It is evident, therefore, that the canal is a complete success, thus far, it remains only to be seen whether it can be kept in proper repair. The "London & China Express" says M. de Lesseps is to be made Duc de Suez but this is we believe doubtful. In the meantime he has received the well-earned decoration of the Grand Cross of the Legion of Honour. We notice that a telegraphic cable is to be laid along the bed of the Canal, from Port Said to Suez.

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FROM THE "NORTH-CHINA DAILY NEWS," OF JANUARY 10, 1870

We are informed that a home for the poor will be opened shortly near the gas-works. The objection urged against it was that it was too near to the foreign settlement, will be obviated by the position of the new building. The community will, we are assured, do all they can to supervise and to supplement the benevolence of the Chinese charities, and to see that the really suffering poor are properly cared for.

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FROM THE "NORTH-CHINA DAILY NEWS," OF JANUARY 11, 1870

The Shanghai Paper Hunt Club met on Saturday at the two-mile bridge on Bubbling Well Road. The country was heavy, owing to the break of the recent frost, and the banks of the creeks were hard and slippery, but relying on the aversion our fox had generally exhibited when following the hunt, to anything like mud or water, we deemed ourselves secure in the anticipation of a good run; we were, however, doomed to disappointment. Our foxes have indulged us once or twice, this season with a little mud larking unavoidable sometimes, owing to the nature of the country, but on this occasion the paper seemed purposely laid over most impracticable places, broad muddy creeks with precipitous banks, alternating with wide and deep lagoons. We were the more surprised, as the fox had generally deprecated anything at all calculated to mar the brilliancy of a dazzling get up. Despite a few excusable growls, however, the Hunt kept its temper famously, the many ludicrous incidents occurring from time to time, contributing to this in a great measure. At one lagoon 30 feet wide, it was thought the Royal Humane Society's services would have been required to extricate man and beast from their watery difficulties. Should such runs as those become frequent, the Hunt will either lose half its members, or else cork jackets will take the place of the scarlet coat, and life-belts supplant the grateful flask at the saddle bows. We regret to say the pony Belladrum fell during this run, broke his back, and subsequently had to be destroyed.

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